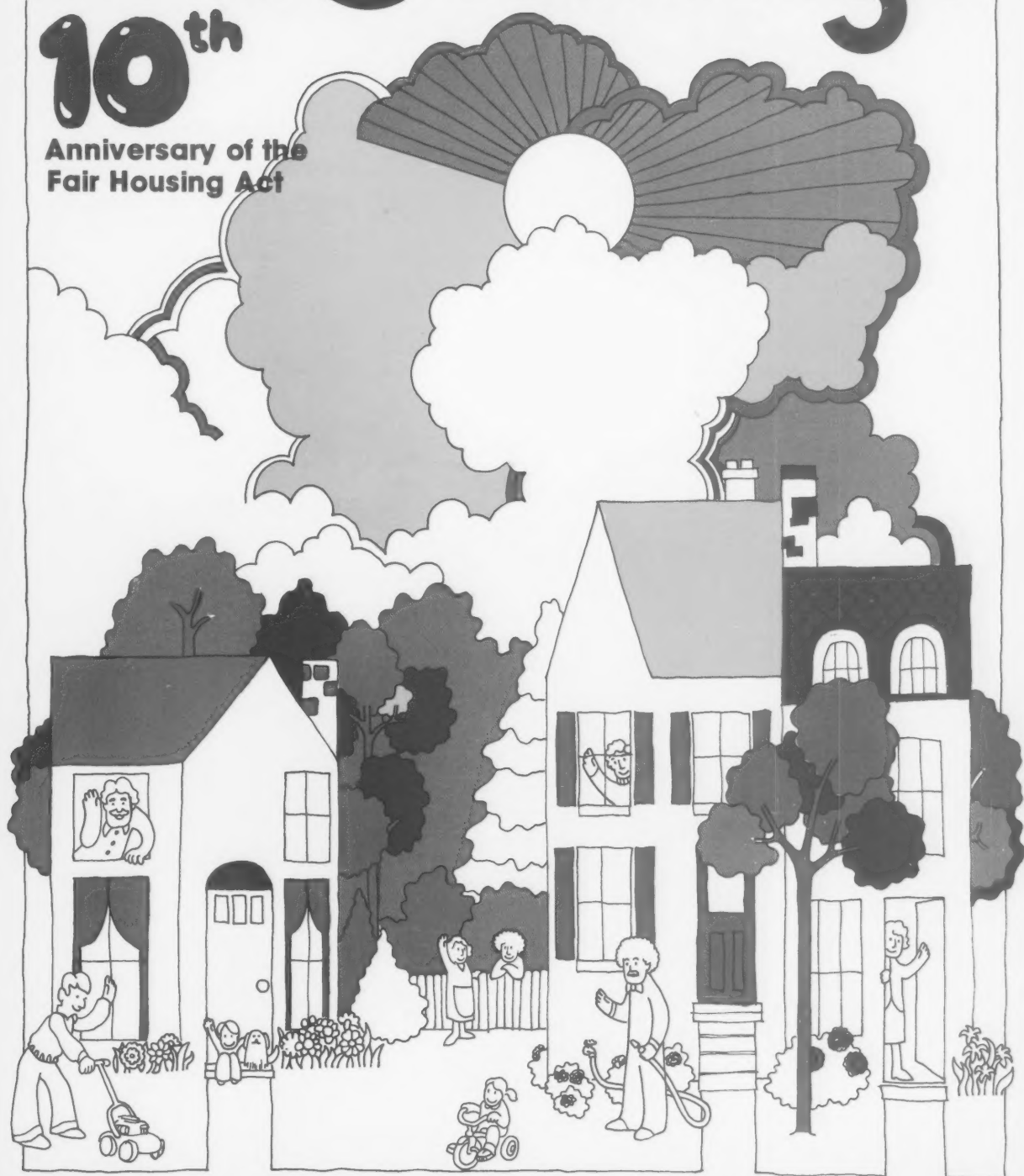


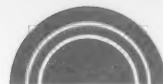
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hudChallenge

10th

Anniversary of the
Fair Housing Act





1977-A Good Year for Women and Minorities at HUD

Recently released statistics show that 1977 was a good year at HUD for both women and minorities and prove that Secretary Harris meant it when she made the commitment upon taking office to involve more women and minorities in policymaking in the Department. During the year, half of the 145 appointive positions were filled with women. Black men and women account for 21 percent of these 145 appointive positions, and Hispanic men and women fill 6 percent of these top level jobs. American Indians and Orientals comprise the remaining one percent. At the end of February, minorities represented 28 percent of all executive or managerial positions in HUD, reflecting an 8.8 percent increase in minority hiring at the policymaking level since the new Administration took over. Of HUD's force of 15,194, more than 1,000 minority employees are now at the GS-12 level or above.

Average New Home Buyer

Results of a poll conducted between July 1, 1976, and June 30, 1977, reveal that today's typical home buyer is 34, married, the parent of one child; and, there's a 50 percent chance that the husband and wife both work, earning about \$22,000 per year. Also, the couple probably are buying their second home, using a combination of savings and profit from the sale of their previous home to finance a 20 percent downpayment on a new \$45,000 home. The poll was taken among nearly 1,000 buyers of new homes nationally who are enrolled in the Home Owners Warranty program, a 10-year buyer protection plan.

New Special Assistant

HUD Secretary Patricia Roberts Harris recently announced the selection of Irvin Santiago as Special Assistant to the Secretary for Indian and Alaska Native Programs. Santiago will be responsible for coordinating all programs of HUD relating to Indian and Alaska native housing and community development.

Special Funds for Housing Assistance

Communities that work with regional planning organizations in creating housing opportunities for lower-income families on a broad geographical basis are eligible to share in a special allocation of up to \$30 million in housing assistance funds from HUD Secretary Harris announced recently. The special funds have been made available to encourage communities to cooperate in addressing the total assisted housing needs of their area in a coordinated and equitable way.

Solar Generators in Orbit

According to Dr. Peter E. Glaser, vast arrays of solar power cells floating in orbit around the Earth could beam back 25 percent of U.S. electricity needs by 2025—a notion he proposed 10 years ago. He notes that the microwave beam of energy would be safe for birds, planes, and people and would be a cheap, nonpolluting energy source for the next 5 billion years. Citing a cost of \$10 billion to put the first solar power generator in orbit 20,000 miles up, he believes that it could be done by 1995 with existing technology. The price includes land for the field of receiving antennas on Earth, six miles across, and the prediction assumes that from three to seven satellites would be built every year until 2025. Each would provide 5 million kilowatts of power, equal to the output of five current nuclear power plants. Dr. Glaser is a consultant for Arthur D. Little, Inc.

Don't Fly Away, Ladybug

Imported Yugoslavian moths and Australian ladybugs are being used as part of a new biological control program to reduce the use of hazardous chemicals along 1,500 planted acres bordering California State freeways. According to the California Department of Transportation, the moths are reducing the Department's normal \$1-million-a-year expenditure for tumbleweed control while the ladybugs have saved the agency \$50,000 a year by eating flying insects.

Neighborhood Justice Centers

Atlanta, Los Angeles, and Kansas City (Mo.) are the cities chosen by the Law Enforcement Assistance Administration for the establishment of Neighborhood Justice Centers. Designed to provide speedy, low-cost alternatives to the courts—especially for middle- and lower-income groups—for settlement of relatively minor disputes through mediation and arbitration, the centers are set up on an experimental basis for 18 months. If the operation of the centers is proven successful, they will be organized throughout the country.

Rural Housing Budget for 1979

President Carter's 1979 Budget estimates a rural housing program for the Farmers Home Administration of about the same size as the 1978 programs, but there are some significant differences. For example, approximately 76 percent of the housing loans will be made at subsidized interest rates in 1979, compared to 64 percent in 1978. In the same vein, a larger percentage of 502 interest credit loans will go for existing housing.

hudChallenge

U.S. Department of Housing and Urban Development Patricia Roberts Harris, Secretary

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HUD Challenge regrets that the name of Utah Senator Jake Garn was misspelled on page 9 of the March 1978 issue.

HUD Challenge, the official Departmental magazine, is published monthly by the U.S. Department of Housing and Urban Development. Use of funds for printing was approved by the Office of Management and Budget, August 28, 1973. *HUD Challenge* serves as a forum for the exchange of ideas and innovations between HUD staff throughout the country, HUD-related agencies, institutions, businesses, and the concerned public. As a tool of management, the magazine provides a medium for discussing official HUD policies, programs, projects, and new directions. *HUD Challenge* seeks to stimulate nationwide thought and action toward solving the Nation's housing and urban problems. Material published may be reprinted provided credit is given to *HUD Challenge*. Subscription rates are \$15.90 yearly domestic, and \$19.90 for foreign addresses. Paid subscription inquiries should be directed to: Superintendent of Documents, Government Printing Office, Washington, D.C. 20402. Manuscripts concerning housing and urban development are welcome. Send all editorial matter to: Editor, *HUD Challenge*, Room 5186, Department of Housing and Urban Development, Washington, D.C. 20410. Telephone (202) 755-5710.

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Fair Housing... 'A Basic Right, Right Now'

*A Statement by HUD Secretary
Patricia Roberts Harris*

This month we celebrate the tenth anniversary of the signing of the Civil Rights Act of 1968 which committed our Government to the elimination of all barriers to equal opportunity in housing. Under HUD's stewardship, Title VIII of that Act, known as the Federal Fair Housing Law, has resulted in some noteworthy accomplishments.

For one thing, the Fair Housing Law has provided what we regard as satisfactory litigation remedies for financially capable victims of housing discrimination.

For another, it has been used with some success in the battle against

exclusionary land use practices.

It also has provided conscientious real estate dealers with reinforcement of the law to help them conduct business in an equitable manner.

While these are advances, there are noteworthy flaws in the present law that we hope will be corrected in the passage of a bill now before the House. This bill might well be labeled one to "fulfill the original promise of the Federal Fair Housing Act to provide, within constitutional limitations, for fair housing throughout the United States."

HUD's experience over the past decade has shown that the lack of adequate enforcement powers has been the most serious obstacle to the development of an effective fair housing program. Our present authority is limited to a purely voluntary process called "conference, conciliation, and persuasion."

Under the conciliation process, HUD is supposed to establish the existence of violations of law through investigation. And then, having dis-

covered the lawbreaker, the Department is limited to asking the lawbreaker whether he wants to discuss the matter. Clearly, conciliation in such cases is dependent on the willingness of alleged lawbreakers to cooperate. Our responsibility to enforce Title VIII then, lacks credibility because we lack meaningful enforcement powers.

Until the law is amended, we are continuing to encourage communities to use HUD programs to foster open housing choices. For example, we encourage localities to use community development block grants to fund local fair housing organizations to assist in furthering housing choices.

We are proceeding with equal opportunity housing plans to enable lower-income families receiving subsidies for existing housing to locate suitable housing anywhere in a metropolitan housing market area.

We are utilizing allocations from planning funds, community development funds and Section 8 housing subsidies to give bonus units to places with areawide housing plans, where those places have shown ability to coordinate and manage such plans.

We believe that a voluntary compliance program, backed up by solid enforcement efforts, should be a vital component of our total "Fair Housing" effort. Fair housing can never be achieved solely through dependence on Federal and State enforcement activities. The resources will always be too few and the task too great. We must have the cooperation and assistance of the private sector.

Whatever the case, HUD is committed to making the promises of the Civil Rights Act a reality, by (1) using our own means to overcome residential, racial and economic segregation in metropolitan areas and (2) by vigorous enforcement of the equal opportunity laws on the books, including those that impact on agencies other than HUD, such as the Equal Credit Opportunity and the Mortgage Disclosure Acts.

Fair Housing is, indeed, "a basic right, right now." Let us all pursue this ideal. □



A Decade of Enforcing Fair Housing and Equal Opportunity

by Chester C. McGuire
*Assistant Secretary for
Fair Housing and Equal
Opportunity*

Before Title VIII of the 1968 Civil Rights Act there was no Federal entity to which private citizens could appeal for redress of grievances caused by housing discrimination. During the past 10 years the Office of Fair Housing and Equal Opportunity (FH&EO) has assisted tens of thousands of men and women as they sought equal justice under the law. We have negotiated a substantial number of individual settlements, helped prepare court cases that have brought a measure of justice to thousands, provided interpretations and elucidations of the Law that speeded the course of justice, and informed and educated thousands regarding their rights and responsibilities under the Fair Housing Law. There are few feelings as satisfying as that which we in FH&EO have experienced during these first ten years—the certitude that we have done our job as well as we could have done it within the limitations of what a majority of observers believe is a less than perfect Law.

This tenth anniversary, April 1978, is for many of us our first anniversary in the Office of Fair Housing and Equal Opportunity.

We have had to learn a lot this first year; and the majority of the time we have had to learn as we were

doing. We have been able to take some of the steps we envisioned a year ago—steps that have strengthened FH&EO's ability to enforce the Fair Housing Law in an efficient and effective manner.

We have not been without our critics. Indeed, without some signs of tension and discontent among our many constituents we would feel that we have failed somewhat during this first year. The business of civil rights enforcement is subject to as many interpretations as there are individuals and organizations engaged in it; and it is impossible to proceed on one course without encountering criticism from those who favor others.

Lively debate as to how to proceed is one of the elements that keep an issue alive and vital; and fair housing enforcement is an issue that is conspicuously alive for this Administration and for this era.

If we are satisfied after this first year and satisfied with this first decade, we are not willing to allow ourselves to be complacent. Indeed,

the vitality of the issue we deal with, its centrality to the future character of American society and its personal implications for us as individuals preclude any course but that of continued activism.

For the HUD Office of Fair Housing and Equal Opportunity the first ten years, and the past year, are models for the future. The Fair Housing Law presents us with some strong tools. We believe additional tools are necessary and we will pursue them in an aggressive manner. We will also use the tools we have to the full extent of their usefulness and we will work, at the same time, to assure that their use becomes more widespread throughout society.

Housing discrimination will not be ended in one year. We have seen that housing discrimination cannot be ended in ten years. We believe that it can be ended. Let us use this anniversary not just as a time for summing up, but as a departure point for that part of a journey that began a decade ago. □



The Office of Fair Housing and Equal Opportunity: An Overview

The Office of the Assistant Secretary for Fair Housing and Equal Opportunity is charged with assuring fair housing for all citizens throughout the United States. In addition, the Office is responsible for ensuring that HUD-assisted programs are administered without discrimination based on race, sex, color or national origin.

Other responsibilities of the Office include efforts to provide equal employment opportunity in HUD-funded construction; to promote job and business opportunities for lower-income residents and minorities in HUD project areas and for minority entrepreneurs in all HUD programs; and to assure equal job opportunities within the Department and in local agencies funded by HUD.

The laws and authorities by which the Assistant Secretary for Fair Housing and Equal Opportunity is directed are:

- Title VIII, Civil Rights Act of 1968, as amended, which relates to fair housing.

- Title VI, Civil Rights Act of 1964, which prohibits discrimination in programs or activities receiving Federal financial assistance.

- Executive Order 11063, which relates to equal opportunity in federally-assisted housing.

- Executive Order 11246, (as amended by Executive Order 11375), which prohibits the denial of equal employment opportunity by Federal and/or federally-assisted construction contractors.

- Section 3 of the Housing and Urban Development Act of 1968, as amended, pertaining to training, employment and business opportunities for low-income residents and businesses in HUD-assisted project areas.

- Executive Order 11478, providing for equal employment opportunity within the Department of Housing and Urban Development.

- Executive Order 11625, specifying liaison with the Office of Minority Business Enterprise, the U.S. Department of Commerce, and coordination of HUD's efforts to encourage minority business enterprise in its own programs.

- Section 109 of the Housing and Community Development Act of 1974, prohibiting discrimination in programs subject to the provisions of Title I of the Act.

To carry out the responsibilities of the Office of FH&EO, the Assistant Secretary has organized five major policy offices, each of which administers policy relevant to a single area.

The Office of Fair Housing Enforcement

This Office is responsible for Civil Rights Compliance activities under Title VIII of the Civil Rights Act of 1968, as amended; Section 3 of the Housing and Urban Development Act of 1968, as amended; and Executive Order 11063. This Office develops standards and guidelines for processing complaints and receives Regional Office final investigative reports and conciliation reports.

The Office of HUD Program Compliance

This Office is responsible for compliance and enforcement activities under Title VI of the Civil Rights Act of 1964; HUD contract clauses prohibiting discrimination in employment; Section 109 of the Housing and Community Development Act of 1974; and Executive Order 11478, relating to equal employment opportunity within HUD.

The Office of Contract Compliance Programs

Effective October 1, 1977, the Department of Labor set in motion a consolidation of the Executive Order 11246 construction compliance program which transferred to HUD the construction compliance respon-

sibilities of the Department of Health, Education and Welfare, the Veterans Administration, the Economic Development Administration (EDA) of the Department of Commerce and the Farmers Home Administration (FmHA) of the Department of Agriculture.

In accordance with E.O. 11246, FH&EO restructured its headquarters and field office operations. The Office of Contract Compliance Programs now has responsibility for administering the consolidated program at the headquarters level. A contract compliance division staff was also established at each regional office to administer Executive Order 11246.

The Office of Voluntary Compliance

This Office develops and implements activities aimed at achieving voluntary actions that will fulfill the Equal Opportunity Program goals and objectives stated and implied in the statutes, executive orders and priorities of the administration. The staff provides assistance to national organizations, develops voluntary programs and provides areawide affirmative fair housing marketing agreements and plans. The Office of Voluntary Compliance also works within HUD, with other Federal agencies and departments and with private sector groups and corporations to increase and expand opportunities for minority business enterprise.

The Office of Management and Field Coordination

All administrative and management services required for operating fair housing and equal opportunity programs at the national and regional levels are performed by the Office of Management and Field Coordination. This Office prepares and administers the budget, coordinates training, collects data and prepares reports on the racial and ethnic characteristics of applicants, recipients of and participants in all HUD-aided programs, conducts field reviews and performs all necessary management and administrative functions. □



1. Milton Roberts, Special Assistant to the Ass't. Secretary
2. John Finch, Director, Management Analysis Division
3. Yvonne Cook, Secretary, Office of Fair Housing and Contract Compliance
4. Kenneth Holbert, Director, Office of Fair Housing and Contract Compliance
5. Karen Zuniga, Sepcial Assistant to the Ass't. Secretary
6. Laurence Pearl, Director, Office of HUD Program Compliance
7. Tex Wilson, Deputy Ass't. Secretary for Fair Housing and Equal Opportunity
8. Augustus Clay, Director, Field Support and Evaluation Division
9. Yolanda Palmer, Special Assistant to the Ass't. Secretary

Fair Housing: The Next Ten Years

by Robert F. Drinan, S.J.
*U.S. House of Representatives
(D-Mass.)*

When Congress enacted Title VIII of the Civil Rights Act of 1968, then Senator Walter Mondale, a principal author of that title, stated that its purpose was to replace ghettos "by truly integrated and balanced living patterns." To anyone who has examined the demographic data of our metropolitan areas, that statement was a dream which has not been realized. Statistics show that, in many parts of the country, neighborhood segregation is intensifying.

To be sure, the 1968 law has opened up a number of residential

"One of the provisions of the Edwards-Drinan bill would make it unlawful for governmental units to exclude housing for lower-income persons."



areas and dwellings from which minorities were previously excluded. Despite these gains, however, members of minority groups continue to be denied housing because of race, color, religion, sex, or national origin. But perhaps more significantly, a large number of persons are finding access to decent housing blocked by economic barriers. In many instances, economic discrimination is synonymous with racial or ethnic discrimination as minorities are disproportionately represented among lower-income persons.

The Decade Ahead

As we look ahead to the next ten years in the quest for equal housing opportunity, we must undertake a program which, at a minimum, has these essential elements. First, we should re-evaluate the Federal Fair Housing Act to determine whether it is adequate today to secure the equal access so nobly enshrined in it. Representative Don Edwards and I have introduced a bill (H.R. 3504) which would revise and strengthen Title VIII. Among other things, it would give the Department of Housing and Urban Development authority through the administrative process to enforce the rights given by that statute. The bill would also strengthen the hand of the Justice Department and private persons to remedy exclusionary practices. In addition it would expand the coverage of the Act to include the handicapped.

Second, the Federal Government should take the lead in seeking to remove economic barriers which prevent lower-income minorities from living outside areas of racial concentration. For example, suburban jurisdictions have, for many years, employed land use controls to exclude lower-income persons from their borders. The impact of this exclusion has fallen most heavily on nonwhites. One of the provisions of the Edwards-Drinan bill would make it unlawful for governmental units to exclude housing for lower-income persons.

Third, effective steps must be taken to ensure that mortgage lending and credit evaluation relating to housing are undertaken in a nondiscriminatory fashion. Women and racial minorities have been victimized by unequal application of credit standards, denying them access to large numbers of dwelling units. The Federal banking regulatory agencies have been slow to recognize this problem and slower in taking corrective action. Parts of H.R. 3504 would help alleviate those difficulties. More importantly, strong and vigorous leadership at the highest levels of the banking agencies and in the White House, as the Civil Rights Commission has urged many times, is essential to eliminate discriminatory lending and credit practices.

Fourth, government at all levels must make a massive commitment to the production of sufficient units to satisfy the housing needs of the Nation. The current, severe shortage of dwelling units adversely impacts on everyone in the country. Because women and racial minorities, also the handicapped, have traditionally been excluded from equal access to the housing market, they suffer disproportionately as a result of an inadequate supply of "decent, safe, and sanitary" housing. No matter how strong Title VIII is or will become, the absence of a sufficient number of dwelling units will undermine whatever advances may be made by improving the legal rights of minorities and women.

The first ten years since the passage of Title VIII have been a period of testing and experimentation, with some progress having been made. It is now time to assess where we are and to determine what new steps need to be taken. The anniversary of the Fair Housing Act is an appropriate occasion for that reevaluation and for a renewed national commitment to equal housing opportunity. □

Fr. Drinan is the U.S. Representative from the Fourth Congressional District of Massachusetts.

Fair Housing and the Realists

by Harold A. Dawson

A decade has passed since the passage of Title VIII of the Civil Rights Act. The influence that this legislation has on helping to secure rights of minorities in housing cannot be questioned. The irony of the legislation is that while the past ten years have shown its significance, they have also revealed its fragilities. The fragilities of Title VIII are seen in the scope of enforcement powers which are limited to HUD's power to receive, investigate and conciliate complaints. HUD has no power to obtain a restraining order against persons charged with discrimination in housing.

The National Association of Real Estate Brokers, Inc. (NAREB)—a minority trade association—has since its inception fought the battle of discrimination in housing with what few tools were available. NAREB has been unique in the field of housing

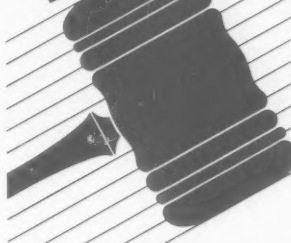
discrimination; a real estate trade association that is concerned beyond the vested interest of its members; a trade association that has as one of its major concerns discrimination in the housing industry.

The end of the decade is beginning to show what may be a marked change in Title VIII enforcement and thus a marked change in HUD and NAREB.

The Edwards-Drinan Bill (HR3504) will finally put teeth in Title VIII by allowing HUD to enforce the Fair Housing Act. The National Association of Real Estate Brokers, Inc. supports this legislation. I believe that together HUD, representing the governmental sector, and NAREB, representing the private sector, can deliver the ultimate blow to discriminatory housing practices in this country. □

Mr. Dawson is President of the National Association of Real Estate Brokers

FAIR HOUSING AND FAIR LENDING LEGAL SEMINAR



Holbert, Director of the Office of Fair Housing Enforcement in the Office of FH&EO. In 1977, three seminars were conducted (the 16th, 17th and 18th in the series) but a new element was added which signals a new era and a broadened scope for this significant program of public information activities.

Regulatory Agency Participation

For the first time, in 1977, the HUD legal seminars featured participation by representatives of the Federal financial regulatory agencies responsible for enforcing fair lending laws and policies which apply to federally-regulated banking and lending institutions throughout the country. The difference may seem small, but it is a significant one, especially when one considers that the financial institutions regulated by the Federal Government have the power to authorize or deny mortgage and home improvement loans in nearly all of the real estate transactions which take place in the United States. The implications for those concerned with fair housing practice and policy are enormous; the potential effect on individuals and communities almost too far-reaching to be assayed.

With the participation of the Federal regulatory agencies as active panelists, speakers and resource personnel, the Office of Fair Housing and Equal Opportunity (FH&EO) legal seminars in 1977 were able to offer a comprehensive overview of

A New Era for Fair Housing and Equal Opportunity Seminars

by Don Alloway

Sections 809 and 812 of the National Fair Housing Law empower HUD to initiate and sponsor educational activities to acquaint private individuals and groups with their rights and responsibilities under the Law. Pursuant to this mandate the Office of Fair Housing and Equal Opportunity has, for six years, conducted a series of seminars to familiarize private attorneys across the country with new developments in fair housing and equal opportunity law, legislation and litigation.

The seminars are conducted under the supervision of Kenneth F.



the Federal role in assuring fair housing in the private sector.

Those attending the seminars were able to learn just what the Federal regulations mean, how these regulations will be enforced and applied, and what is expected of the individual citizen and the financial institution with regard to fair housing and equal opportunity law.

Not surprisingly, as the seminar faculty broadened its scope, the composition of the attending audience changed as well. In 1977, mortgage bankers, corporate officers, private fair housing groups, local and State government officials and representatives of the real estate sales and land development industries attended the seminars. The traditional core audience of private attorneys interested in fair housing law also broadened to include many attorneys who were attracted to the seminar by virtue of the wide interest generated in the legal profession by the change in seminar faculty.

The 1977 seminars were held in cosponsorship with local educational institutions and statewide bar associations which also enhanced their appeal and impact: in August, a seminar in Omaha, Nebraska was cosponsored by the Creighton University School of Law and conducted at the University's Ahmanson Law Center in Omaha; from September 30-October 1 a seminar was cosponsored by the University of San Francisco School of Law at the University's San Francisco campus; in December, the seminar moved to Williamsburg, Virginia and the campus of the College of William and Mary with cosponsorship by the William and Mary College of Law and the Peninsula Bar Association.

In all three cases, attendance at the seminars was at "full capacity." Participants were required to defray their own expenses for rooms, meals, materials, and travel to and from the seminars.

Once again in 1977, the FH&EO legal seminars program proved that it can serve as an efficient public information service in support of fair housing at little or know expense to

the Government and the public. Furthermore, the new dimension of an expanded faculty and broadened seminar audience may well signal the beginning of a new era not just for the legal seminars program, but for the practice of fair housing and the enforcement of fair housing law, as well. □

Mr. Alloway is a Special Assistant to the Assistant Secretary for Fair Housing and Equal Opportunity.

Fair Housing Programs in Maryland

by Charles McC. Mathias
U.S. Senate, (R-Maryland)

Several members of Congress, including myself, have become concerned over the ability of HUD to enforce the Federal Fair Housing Law. Senator Glenn and I have introduced Senate Bill 571, designed to strengthen HUD's enforcement powers. A companion bill has been introduced in the House of Repre-



sentatives (H.R. 2532) by my Maryland colleague, Congresswoman Spellman.

I believe that legislation upgrading HUD's ability to deal with fair housing law violators would yield the additional benefit of encouraging voluntary compliance with the law. More specifically, I submit that stronger enforcement mechanisms will give impetus to programs which have as their objective the opening of the housing market through voluntary measures. In my home State of Maryland there are a number of such programs which merit discussion in these pages.

COG

One of the most innovative housing ideas is the Washington Council of Government's Fair Share Plan. The Council of Governments brings together sixteen jurisdictions in the Washington, D.C. metropolitan area in an effort to develop joint solutions for common problems. The Fair Share Plan was instituted in 1972 to allocate HUD housing subsidy monies among member jurisdictions. The basic concept of the Plan is to share low- and moderate-income housing funds throughout the metropolitan area. HUD encourages such regional sharing by offering "bonus" units or funds to local governments which cooperate in the larger program. The carrot of additional funds seems to have furnished the inducement needed to cause local officials to recognize housing problems existing beyond the boundaries of their own city or county and to contribute to the solution of same. It hardly needs to be reported that the regional cooperation achieved under the Plan represents a triumph over the traditional tendency of jurisdictions to promote their own interests at the expense of their neighbors. A housing allocation scheme similar to the Fair Share Plan is in effect in the Baltimore metropolitan area.

In Montgomery County, Maryland, a law provides that each housing development of 50 or more homes must set aside 10-15 percent of the

homes for families of limited means. This "Affordable Homes Program" has produced 227 homes for low- and moderate-income families with a total of 2,000 units committed to production.

Cooperative Efforts

Neighborhood Housing Services of Baltimore is a consortium of lending institutions which sets aside a pool of money to be lent in "higher risk" neighborhoods. This creative program has served as a catalyst for the revitalization of a faltering Baltimore neighborhood. It has stimulated a variety of reinvestments by other institutions and private initiatives by owner/occupants to upgrade and maintain their homes.

Maryland stands in the forefront of the voluntary compliance movement among real estate practitioners. The Greater Baltimore Board of Realtors was the first local board in the Nation to adopt the National Association of Realtors' Voluntary Affirmative Marketing Agreement. Through the Agreement the Board reaffirmed its commitment to equal service for all homeseekers and agreed to pursue an outreach program to attract minorities to the real estate profession. The Agreement established a Community Housing Resources Board as a forum in which persons and organizations representing various sides of the open housing question can meet and air their differences. In the past, Realtors, civil rights groups, fair housing advocates and other community representatives would seldom meet except as adversaries and in an atmosphere of confrontation. The Community Housing Resources Board provides an opportunity for these parties to come together with a unified purpose and to bend their efforts toward a single broad goal. Perhaps the most significant accomplishment of the Board is the greater understanding of each other's problems and concerns that participants have acquired.

Baltimore Neighborhoods, Inc., a fair housing organization, has initiated cooperative action between

and among the Realtors, the primarily black Realtists and itself. The three groups formed a coalition and secured a HUD research and demonstration grant to develop and carry out the Baltimore Plan for Affirmative Marketing in Real Estate. The Baltimore Plan is a collective effort by the three groups to create a genuinely open housing market by correcting misconceptions about and removing obstacles to open housing. The general aim of the Plan is to assure that minority families have full access to the greater Baltimore housing market. Specific activities include: (1) a public education program in greater Baltimore on the fair housing law for the Realtors and Realtists as well as the public at large, (2) encouraging the recruitment and training of minority real estate sales persons and (3) encouraging the employment of sales persons of all races.

The Baltimore Neighborhoods, Inc., is engaged in other projects which go to the heart of fair housing techniques. The group is reviewing operations of the Multiple Listing Service to ascertain whether it is being fully utilized to promote equal opportunity in housing choice. The group is also familiarizing brokers and sales associates with the range of methods available to finance a home purchase so that they can best advise their sellers and buyers.

Suburban Maryland

Suburban Maryland Fair Housing, a private organization, has been dealing with fair housing complaints in Montgomery County since 1962. It has also been testing and monitoring, through quarterly landlord reports required by the County, the area housing market and its openness to minorities, women, the elderly and single-parent families. The volume of complaints has decreased over the years, under the impact, no doubt, of the Fair Housing Law. The nature of complaints has also changed. Complaints based upon racial discrimination are being replaced by complaints stemming from alleged discrimination

based on sex or marital status, or unwillingness to honor a spouse's income for credit purposes. The group is authorized to assist the Montgomery County Human Relations Commission in verifying complaints.

The Metropolitan Washington Planning and Housing Association has published the results of a recent study, "Fair Housing: Unfair Advertising," which surveys real estate advertising practices. The study concludes that much advertising contains a subtle message indicating a discriminatory preference or restriction on the basis of race. Suggestions are made for rectifying the situation.

Project Lend

Project Lend is a foundation-funded affirmative lending program operating under the auspices of the Metropolitan Washington Planning and Housing Association. Using information furnished by lenders under the Home Mortgage Disclosure Act, a panel of open housing advocates, real estate professionals and concerned citizens is examining the overall lending picture in the greater Washington housing market. The objective of the Project is to provide information and guidance that will lead to equal treatment in lending to all people and all neighborhoods.

Foundation Grant

Lastly, the Washington Council of Governments, using a Ford Foundation grant, is undertaking an outreach program to attract minorities to the real estate profession. The program yields equal employment benefits, but the ultimate goal is the easing of access to the greater Washington housing market for those minority homeseekers who prefer to obtain the services of a real estate practitioner of the same minority group. Minority practitioners should be available to accommodate that preference, not because non-minority practitioners necessarily render unsatisfactory service to minority homeseekers, but simply to furnish an option which

would tend to open the housing market. The program will provide information to minority group members on the real estate business, State requirements for licensing, accredited courses of instruction and placement of participants.

All of these voluntary operations are encouraging to those of us who are firmly committed to carrying out the spirit as well as the letter of the Fair Housing Law. Such activities, when reinforced by the enactment of S.571, will add new weight to the drive for equal opportunity in and fair marketing of housing.

It is necessary to maintain a certain perspective in the drive for equal housing opportunity. Equal opportunity is meaningless without an adequate supply of housing at prices and rents which all can afford. In many of our communities today the distinction between racial and economic discrimination in housing is blurred. Congress and HUD must ensure that sufficient low- and moderate-income housing is provided throughout regional housing markets to alleviate the pressures which give rise to economic discrimination.

The State housing finance agencies are among the leaders in producing new Section 8 housing, many times in areas which have been overlooked. The Housing Assistance Plan, mandatory for receipt of Section 8 funds, is a useful tool for localities to identify the housing needs and plan infusions of low- and moderate-income housing. The Section 8 "chit" supplied to an eligible family should not be limited to use within a particular jurisdictional boundary but should be usable throughout an entire housing market area in order to facilitate freedom of housing choice.

When we begin in earnest to view housing dynamics in a broad market area context without regard to local jurisdictional boundaries, then, at last, we will be on our way to an enlightened policy and practice in housing. We must all work together toward that end. I am proud that Maryland is in the vanguard of this movement. □

Foundations and Fair Housing

by Robert W. Chandler

Why, you may ask, do foundations concern themselves with fair housing? Now that the laws are on the books, why not move on to other areas of social need?

Ten years of Federal fair housing laws have brought small gains and no dramatic turnaround in our segregated patterns of living. With urban pressures mounting, progress in fair housing remains a matter of urgency for many Americans whose path to wider job markets, better schools, and safer neighborhoods—in short, to a more secure place in our society—is blocked by discriminatory housing barriers.

The Civil Rights Act and the *Jones v. Mayer* Decision of 1968 were important milestones in fair housing. We know now, however, if we did not before, that housing discrimination will not disappear with the stroke of a pen or the rap of a gavel. Only strong laws backed by vigorous enforcement and affirmative action can sweep away this vestige of our separate and unequal past. If the backup efforts falter, such practices as blockbusting, racial steering, denial of access to listings, differential pricing, selective advertising, redlining, and exclusionary zoning will continue unabated.

Two sets of impediments still need to be overcome: those which inhibit free choice in the existing housing market and those which constrict the location of new housing for low- and moderate-income families. Despite a recent upsurge in the black suburban population, demographers cannot yet substantiate any significant lessening of racial isolation. "Although a strong legal framework exists for combating racial discrimination in housing," writes Karl Taeuber, a leading analyst

of census data on residence by race, "relatively little has yet been done."^{*}

Private Sector Gains

The gains that have been made are due in no small measure to efforts of the private voluntary sector. Some 60 professionally-staffed fair housing organizations are working at the national, State, metropolitan, or local level to help minority homeseekers exercise their rights under the law and to expand options for new low- and moderate-income housing outside racially-impacted areas of central cities. At least three times as many community groups are engaged in strengthening neighborhoods that are already racially-mixed.

Although they constitute only a small part of private philanthropy (less than 10 percent), foundations provide significant financial support for fair housing. For a decade they have been granting approximately \$1.5 to \$2 million a year to voluntary fair housing and interracial neighborhood groups. The Chicago Community Trust and other foundations have helped put in place a network of metropolitan, suburban and interracial community groups that are significantly broadening housing opportunities in what used to be called the most segregated city in the Nation. Striking gains in the desegregation of the Washington, D.C. area, though greatly aided by the presence of the Federal Government and a strong job market, are also attributable in part to foundation-supported fair housing efforts.

Fair housing, of course, embraces not only the voluntary movement but the housing concerns of civil rights commissions established by Federal, State and local governments. Nor do foundations account for more than a fraction of the resources that find their way into the field. Church, business, civic, and individual giving along

^{*}Karl E. Taeuber, "Demographic Trends Affecting the Future Labor Force," *Madison, Institute for Research on Poverty of the University of Wisconsin*, December 1976, p. 73.

with public financing, and heavy commitments of volunteered services make fair housing a much larger enterprise than the figures on foundations support alone might suggest.

Even so, it isn't enough. Most of the voluntary organizations already in place are inadequately funded, while citizen action to promote fair housing has yet to be mobilized in many urban areas, including some large ones.

The Role of Foundations

Public agencies are not equipped to deal with these abuses by themselves. They rely heavily on the voluntary sector for the services that are required to translate abstract housing rights into three-dimensional housing opportunities. Among these services are financial counseling for home-seekers, affirmative marketing campaigns, auditing of housing market practices, and legal assistance.

The immediate need is to help new fair housing and interracial neighborhood groups get started and established ones perform better. Foundations have a critical role in efforts to bring these about. Much remains to be done nationally as well as locally to build a network of voluntary organizations capable of overcoming the resistance and inertia of the housing market and inducing last changes in its discriminatory operations. The special role of foundations is to nurture these organizations through a developmental period until they can qualify for regular support from other sources, both public and private. Given the fact that fair housing is not everyone's favorite charity, the weaning process may be difficult and is always longer than one would like. Many foundations provide support for other social programs but too often they keep fair housing on the back burner if not in the deep freeze.

Despite all this, a number of groups have achieved a degree of financial stability through a combination of income from fees, fund-raising events, individual gifts, corporate contributions and contracts, the United

Way and such Federal sources as the Comprehensive Employment and Training Act, Title XX of the Social Security Act, planning grants, and, perhaps most promising of all, Community Development Block grants.

Foundations, whatever their priorities, are essentially check writers, and even if their cash input were larger it would never be enough. The resources and energy to sustain momentum in fair housing as in any social endeavor must come from others: government policymakers, civic leaders, and activists. We need *both* more givers and more doers if we are to elevate fair housing to a higher place on the national agenda. □

Mr. Chandler is a program officer with the Ford Foundation.

A Continual Partnership Toward a Continuing Goal

by Phillip Thigpen

I am grateful for the opportunity to join in commemorating the 10th anniversary of the Fair Housing Law. This event serves as a reminder that the initiatives for equal housing in America must go on.

The history of the Federal role in this very important issue has varied from purposeful activity which insured discrimination in housing, to actions which resulted in segregation as a side effect, to a policy of benign neglect in the face of obvious discrimination. With the issuance of Executive Order 11063, the Federal Government began to take the leadership in opposing housing discrimination. Since then, increasingly positive actions have followed, culminating in Title VIII of the Civil Rights Act of 1968. Subsequently, the Court in *Jones v. Mayer* reaffirmed the propo-

sition that discrimination in housing, public or private, is unlawful.

Tools for Enforcement Sought

In the early 1970's, HUD began collecting data which documented the fact that its own programs and policies were resulting in segregated housing and that this occurred despite laws prohibiting discrimination. The pressures of legislation, Executive Orders, and Constitutional interpretations resulted in the adoption of other measures. Among these initiatives was the introduction of Affirmative Marketing Guidelines and HUD efforts to initiate mandatory enforcement procedures.

It is clear that the Federal Government cannot stamp out discriminatory practices without assistance. There are other powerful elements involved. Most important among these is the private sector. One notable step was taken on October 22, 1976, when the National Association of Home Builders and HUD signed a Voluntary Affirmative Marketing Agreement. While this agreement differs in many respects from the original version, it is a significant step forward from the position taken previously by the NAHB.

However, Voluntary Affirmative Marketing Agreements are now under attack; they are said to be a burden to the free enterprise system. The fact is that the "inconveniences" produced by compliance are trivial when compared with the massive discrimination being remedied. For those in this country who do not understand the need for remedies to break down the patterns of housing discrimination, the reaction to the California court decision in *Bakke* is a stark reminder. Subsequent to the State's decision, the California Fair Employment Practices Commission received many calls from businessmen looking for support for the proposition that the *Bakke* verdict permitted them to discontinue their affirmative action programs.

Clearly, then, the signing of an agreement is not enough. Despite the laws already on the books, a dispro-

portionate number of minority people remain under-housed. Equal housing opportunities for all must be a persistent purpose of a just society, even if certain of the consequences of the pursuit prove to be burdensome from a practical point of view.

The Court stated in *Barbier v. Connolly*, 113 U.S. 27, 31, 1885: *Special Burdens are often necessary for... general benefits... Regulations for these purposes may press with more or less weight upon one than another, but they are designed, not to impose... unnecessary restrictions upon anyone, but to promote, with as little individual conscience as possible, the general good.*

If corridors of dispersion are to be achieved through voluntary programs, there must be continued HUD initiatives for a system of monitoring that protects the public interest. The private sector must reach out with special efforts to those groups or persons normally not likely to apply for the housing. This partnership is crucial; it is the heart of voluntary compliance.

Mr. Thigpen is Vice President of Leon N. Weiner and Associates, a Wilmington, Delaware development firm and is chairman of the Equal Opportunity Committee of the National Association of Homebuilders.

The Role of Newspapers in Achieving Fair Housing

by Donald R. McVay

James Gordon Bennett, famed editor of the *New York Morning Herald*, wrote in an editorial in August 1936, "What is to prevent a daily newspaper from being made the greatest organ of social life? Books have had their day;

the theaters have had their day; the temple of religion has had its day. A newspaper can be made to take the lead of all these in the great movement of human thought and of human civilization." Sir Edmund Burke, 18th Century English statesman, said there were three estates in parliament, but pointing at the reporters' gallery said "There sits the Fourth Estate, more important [by] far than they all."

Not everyone thinks of the press in such a flattering way. People in the profession of journalism are somewhat more accustomed to scorn than praise for carrying the bad news, for revealing the hidden, for toppling the mighty—sometimes only for bringing the truth to public attention.

Fair Housing and the Role of the Press

What is the role of the press in fair housing? No different than its larger role of reflecting the lives of people, to report and interpret events in all phases of public life. Fair housing is a concept of social justice embodied in the law. HUD is the agency of government charged with making that concept a reality. The Nation's newspapers are the instruments for communication of ideas and events to all people, without which widespread social change is hardly conceivable.

Newspapers reflect the views and needs of the people. They bring about awareness of problems of society, and in so doing public opinion is focused on the problems at hand. One of the great stories of the Sixties was civil rights. In the 1960's civil rights and Vietnam were brought home to the public with such impact that the government had to take action. Social legislation does not spring from the minds and hearts of lawmakers. It comes as a result of needs perceived by the public. That perception comes through the writings of men—journalists who report daily, persistently on the condition of man.

If fair housing is to be achieved it will be because a heightened public conscience demands it. It is the journals of the day that feed the public conscience. If an awareness and

a response to injustice are to be had it will be because people want them, not because newspapers gather under any banner. Newspapers carry the story of how people live, of the triumphs of justice and of the sorrows and anguish and wrongs of injustice.

Fair housing is more than a law. It is a condition that will be achieved by overcoming prejudice. Our history is replete with the evidence that prejudice does not yield to force. Prejudice does yield to enlightenment. And enlightenment comes through people knowing and talking about the condition of man. It comes through a desire that stems from the heart, rather than through rule imposed by law.

Communication between people is the best bright hope of a better world—and that is the role of newspapers—to let people know about the aspirations and achievements of all people everywhere. □

Mr. McVay is Senior Vice President of the American Newspaper Publishers Association

Fair Housing: Opportunity for Choice

by Herbert A. Morris, Jr.

Fair Housing means equal opportunity—gaining access to neighborhoods and making housing available to the poor, and underprivileged. How often do real estate agents limit blacks to areas that are predominately or all black. "It's already rented." How often have owners allowed apartments and homes to remain vacant for weeks rather than allow blacks to move in. Too often. And too often the rental or sales price increases for blacks.

Fair Housing laws are designed to eliminate the housing discrimination widely practiced in America. With Title VIII of the 1968 Civil Rights

Act, minorities have won limited but significant victories during the past several years. Experience has taught us that mere legislation does not insure that the rights of low-income and minority persons will be protected or enforced. We must rely on the courts, and particularly the U.S. Supreme Court, which fashions the remedies to restrictive zoning, "country-club" cooperatives that bar blacks and other minorities, realtors who steer minorities to certain neighborhoods and lending institutions that red-line entire areas for disinvestment. The fear of minorities moving "next door" is still the primary reason for the lack of affordable housing in the suburbs. We must apply governmental pressure on suburban communities to open their land for low-income housing development, lest our society have concretized residential racial apartheid. The N.A.A.C.P. would like to see the denial of all Federal financial assistance to those communities that refuse to develop housing plans that include subsidized housing. We can no longer accept the continuous allocation of tax dollars to communities that deny housing opportunities to all citizens.

Public Housing

The precipitous decline in the construction of public housing projects has been due, in part, to negative public attitudes toward the steel skyscrapers. But problems with design and construction invite solution, not abandonment. What should concern us more is the racial segregation that continues to abound in these projects. We recently reviewed the public housing statistics from a southeastern State. These statistics indicated the existence of several all-white and all-black projects. Are we to believe that these segregated structures exist by accident, or are not known to the responsible local agencies? We need to review the "tenanting" and management policies of public housing agencies, to see whether we are building—in failure, from the start. We must see that affirmative marketing plans are instituted to promote racial

integration, and allocate monies for subsidies to foster economic integration. Let us, too, compare the physical conditions of all-black projects and all-white projects and the amount of expenditures and services given each. From that comparison we should learn much about public policy.

New Housing

Fair Housing opportunities allow minority contractors to become involved in the construction and rehabilitation of low- and moderate-income housing. Their involvement often signals an awareness of social concern.

We have heard developers of subsidized housing say that they did not utilize any minority contractors because they could not find any that were "qualified." We know that jobs increase housing mobility. HUD should employ the 40 percent test similar to that employed by the U.S. Department of Commerce with respect to the EDA public works program. We must insure that low-income persons and minorities get a share of the funds spent for housing construction in this country each year. HUD must develop a method of enforcement, and develop credibility in the eyes of the low-income and minority community.

HUD represents the hope of millions of Americans who are constantly denied the opportunity to live wherever they want, either because affordable housing does not exist or due to practices of racial discrimination.

The N.A.A.C.P. would like to see a continuation of the Fair Housing efforts of HUD with a strengthening of their powers to provide strong sanctions against violators of these laws. Many of us find it personally discouraging to see our children experiencing the same discriminatory practices we experienced in the past, but we, nevertheless, will continue to keep the faith. □

Mr. Morris is Director of Housing Programs for the NAACP Special Contribution Fund.

Fighting Systemic Discrimination: A Role for State Agencies

by Michael Abramowitz and Patricia Wright

"Here's some extra money. Now show us what you can do about systemic housing discrimination."

That is the challenge put to nine State civil rights agencies now taking part in the HUD-funded Fair Housing Strategy Demonstration Project.

The project, which originated in HUD's Office of Fair Housing and Equal Opportunity, responds to several problems. First, much is expected of civil rights agencies. State laws often give them far-reaching responsibilities, while the Federal law gives many the added burden of processing housing discrimination complaints filed under Title VIII. But most agencies complain that limited resources let them do little more than handle individual complaints, often leaving significant patterns and practices of housing discrimination unchallenged.

Second, there is a need to find and test new ways to use existing fair housing laws more creatively and effectively.

Third, there is a serious need for more precise, reliable information about systemic discrimination that can be used in an effective enforcement program. The general feeling that "we all know discrimination exists" won't go very far in court or at the negotiation table.

In short, both qualitatively and quantitatively, the level of public intervention on behalf of the minority homeseeker needs to be substantially upgraded. The Fair Housing Strategy Demonstration Project attempts to move in that direction by helping State agencies assume a more

aggressive role in the struggle for equal opportunity in housing.

The heart of the project lies in providing Federal money for State civil rights agencies to launch or expand well-planned fair housing programs directed particularly against systemic discrimination. The primary goal of the program is two-fold: replicable, tested and proven fair housing strategies, and strengthened State agency capacity to combat systemic housing discrimination. An additional objective is to gain a better understanding of systemic discrimination in housing, and of the States' role in fighting it. This could then be shared with all State agencies and interested citizen groups.

Strategies

HUD selected the nine participating agencies and supplied the money. A private management consulting firm, A.L. Nellum and Associates, Inc. of Washington, D.C., was selected to manage the project. The firm's role includes helping some of the agencies plan their strategies, and then evaluating the results of all the demonstrations to determine their impact.

Within broad guidelines, the choice of strategies was left up to each agency. Some chose to concentrate all the HUD money on only one strategy, while others put it in as many as five different activities. Some chose simply to expand something they were already doing; others decided to pursue a pet project they had previously been unable to afford. And still others, who had had relatively little housing activity before, built their projects from the ground up.

Not surprisingly, the strategies are aimed at a wide range of targets, including such obvious ones in the private sector as unfair real estate practices; discriminatory apartment rentals; and redlining, disinvestment and other forms of discrimination in home financing. One of the most interesting and ambitious projects is attacking discrimination in home purchase and improvement loans by banks and savings and loan associa-

tions. Taking a sophisticated approach to this complex problem, the project includes computerized statistical analyses. It considers a multitude of economic factors and government regulations, together with a wide range of lending and demographic data. Its goal is to develop a new weapon for fair housing enforcement—an analytic technique for finding whether discrimination lies at the core of loan decisions that lenders claim have nothing to do with race.

At least equal attention is being paid to discrimination in the public sector as well. And in most cases that means HUD programs. No fewer than four of the nine agencies are seeking ways to keep federally-funded activities—especially, the Community Development Block Grant Program—from ignoring or slighting the housing-related needs of minority citizens. A fifth agency is attacking residential segregation in the public housing program, and working creatively to expand the choices offered minority homeseekers in the Section 8 program.

Having passed the half-way mark in the demonstration period, it is clear that all the agencies have improved their ability to identify and challenge systemic housing discrimination. Such project benefits as greater knowledge, new analytic and investigative expertise, better use of community groups and, in some agencies, increased staffing will continue even after the HUD money has all been spent.

Other Considerations Addressed

Many agencies are already moving toward achieving measurable reductions in discrimination as well. And that is what ultimately will distinguish this effort as a demonstration project—having more than just another research report to show for all the work and money that have gone into it.

The project will also serve as a demonstration—to Congress, to State legislatures, and to foundations and other funding sources—of what more money can mean to fair housing. It

will show what could be done with ongoing increased funding, and how even a single injection of cash can have a lasting effect.

Consider, for example, the analytic tool to pinpoint racial discrimination in lending patterns. The high cost of its development needs to be paid only once, and it is then available for continued use in an agency's regular enforcement program.

There should be additional results of interest to the civil rights community. For example, civil rights reviews in the A-95 process are often neglected or dismissed as useless. But with four agencies trying, the project might just provide a practical demonstration of how to turn these reviews into an effective weapon against the discriminatory use of Federal funds.

Expectations

Despite such hopes, however, expectations must be tempered by reality. Although it sounds like a lot, the \$90,000–\$120,000 each agency received, doesn't go very far when translated into annual salaries and expenses. Moreover, given the time that can be lost in protracted negotiations, court trials and administrative proceedings, a demonstration period of only one year does not afford much time to produce a measurable "real world" impact on minority housing opportunities. And one year looks even shorter after subtracting the time that virtually every strategy requires for initial investigation or research.

Nevertheless, the agencies participating in the project anticipate positive results when their demonstrations end in June 1978. To the extent that their strategies work, they will actually have reduced discrimination in housing. Moreover, these tested strategies, along with a wealth of practical experience and, in some cases, training materials, will be available for use by HUD and by other State agencies.

Thus will the project fulfill the mission that HUD first gave it almost two years ago—to identify, develop and demonstrate administrative strate-

gies that State civil rights agencies can use to combat systemic discrimination in housing. □

The authors are employed by A.L. Nellum and Associates, Inc., on the Fair Housing Strategy Demonstration Project. Dr. Wright is Director of the Project, and Mr. Abramowitz is Senior Consultant to and former Director of the Project.

Making Fair Housing a Reality

by Vernon E. Jordan

In the ten years since passage of the National Fair Housing Law of 1968 and, coincidentally, the Supreme Court's reaffirmation of the Fair Housing Law of 1866, it can be said that significant numbers of persons have exercised their right to redress of housing discrimination. There can be little doubt that the law's protection does extend to the housing market. Significant numbers of large landlords have also been subjected to investigations of patterns and practices of discrimination. It can also be said that housing agents understand their legal obligations to practice fair

housing. Blatant acts of discrimination in housing transactions are rare.

Checks of the extent of housing discrimination show that it is still routinely, if politely, practiced in the housing industry, however. Ten years of Title VIII have not overcome racial steering and other housing industry practices that maintain racially segregated residential communities and confound other attempts, as in education, to break down the separate and unequal legacies of our society. It is time to ask what goals we can expect to achieve in the future through Title VIII and to ask what other tools we must deploy to ensure freedom of housing choice.

Support to Housing Consumers

As a first consideration, I believe we should acknowledge that discriminating housing agents have learned how to disguise their discriminating practices better than consumers have learned to secure their rights. Only through careful consumer tactics can discrimination be avoided and only through the checking of all suspicious cases can fair housing laws be meaningfully enforced. Within the Title VIII mandate, we should greatly increase support to housing consumers. This can be done through sustaining grants to local fair housing groups, housing counseling agencies and local public civil and human rights agencies. It is not reasonable for us to ask more of Title VIII if we cannot mobilize consumers to more effectively avail themselves of the law's protection. I believe a relatively small consumer agency grant program, on the order of \$5 to \$10 million per year, would largely overcome the polite evasion of fair housing that is now practiced routinely in housing markets.

Monitoring Housing Transactions

Consumer support is not the only additional fair housing tool with which we should equip ourselves. Title VIII enforcement currently relies on a combination of three elements: (1) enforcement of consumer complaints (by HUD and dele-

gate agencies), (2) development of voluntary compliance mechanisms of industry groups (by HUD) and (3) investigations and prosecution of patterns and practices of discrimination (by the Justice Department). All of these efforts require data on housing transactions. Obtaining relevant data is a tedious and laborious effort and is not regularly undertaken. Since we know, however, that discrimination is widely practiced, it would seem necessary to obtain and process data for regular monitoring of housing transactions. Title VIII should, therefore, be amended to require appropriate housing transaction record-keeping and filing with HUD.

I believe that Title VIII experience of the past decade indicates that we can realistically set ourselves the goal of eliminating housing discrimination if we will provide ourselves with two essential additions to Title VIII: (1) consumer support and (2) monitoring of housing transactions.

Incentives for Fair Housing

Apart from Title VIII law enforcement, we should consider providing better incentives for the practice of fair housing and for the maintenance of integrated communities. We should recognize that housing markets practice unfair housing in the belief that there are economic incentives to do so. Successfully integrated communities have been able to maintain themselves against housing market trends only by organizing, planning and taking collective action to maintain their integrated status. We should provide incentives for homeowners and tenants in integrated communities to support community organization. To this end, we should link Federal tax credits for mortgage interest and local real estate taxes to community efforts to promote fair housing and integrated stability. This move would only recognize that current homeowner tax credits are used largely to promote exclusion in communities. □

Mr. Jordan is President of the National Urban League.





The HUD portion of the proposed budget submitted to Congress for fiscal year 1979 projects appropriations of \$10.981 billion, up almost a half billion over 1978, and outlays of \$9.8 billion, \$1 billion over 1978. Secretary Harris described the 1979 budget as a "good vehicle" to meet HUD's four basic goals: revitalization of urban areas; shelter for all Americans; fair housing opportunities; and increased capacity of communities and neighborhoods to achieve revitalization.

What constitutes the single largest category of assets in the country? The latest "Real Estate Status Report" of the National Association's Department of Economics and Research points out that in mid-1977 there were more than 54 million single-family dwelling units in the United States, ranging from modest rowhouses to elegant mansions. Taken together, single-family structures have an aggregate value in the neighborhood of two trillion dollars. This figure represents one-fourth of the entire wealth of this Nation; but unlike other forms of wealth, ownership of a single-family home is not the province of the very few. Currently, more than 42 million households own the single-family home in which they reside, and another 12 million homes are owned as investment properties or as second homes for occasional use.

The National Committee Against Discrimination in Housing, with cooperation and support from HUD, will hold a Fair Housing Conference focusing on the 10th anniversary of the passage of Title VIII. The conference will highlight the findings of what is considered the most comprehensive survey of the fair housing practices of the real estate industry. The survey was recently completed by NCDH under contract with HUD. Some 3,000 brokers and rental agents in 40 metropolitan areas were surveyed. Other conference and workshop discussions will cover redlining, minority suburbanization and the future of fair housing. The conference will be held at the Shoreham-Americana Hotel in Washington, D.C., on April 11-12. For more information write to: Eugene T. Lowe, Director of Public Information, National Committee Against Discrimination in Housing, 1425 H St., N.W., Suite 410, Wash., D.C. 20005.

HUD Secretary Harris recently announced the appointment of William H. Wilcox as Administrator of the Federal Disaster Assistance Administration. A native of Philadelphia, Wilcox served as Secretary of Community Affairs in the Commonwealth of Pennsylvania from 1971 until last October when he joined HUD as a consultant to Secretary Harris.

The ICMA Newsletter reports on the recent move of a small Dallas, Texas, suburb to merge with the city. Kleberg, Texas, a community of about 5,000, followed the lead of Renner, another Dallas suburb that merged with the city last year. It is reported that the two mergers are seen by Dallas officials as a possible trend toward suburban-city consolidations because of the high start-up costs of city government. Mergers with existing cities give small suburbs access to city services within manageable costs. Dallas voters will voice their opinions on the action in a special referendum on April 1. There appears to be little chance the move will fail.

Savings & Loan News reports that State legislators are beginning to take initiatives to stem redlining. Included among the most recent initiatives are: (1) a California law expressly prohibiting mortgage redlining and establishing a new system for handling consumer complaints, (2) a Connecticut law requiring State loan disclosures and banning all forms of arbitrary or unsupportable home credit denials, and (3) a New Jersey law requiring reports on mortgages rejected and the terms and age of security properties for loans granted.

Contractors in Lewiston, Maine, have begun turning a one-time warehouse, one-time shoe shop into housing for low- and moderate-income senior citizens—and into a solar heating demonstration project. The solar energy system will be used to supplement a conventional hot water and heating system in the HUD-assisted project.

The American Association of Housing Educators will hold its 13th Annual Conference October 10-14, 1978 in Minneapolis-St. Paul. Abstracts of papers to be presented are invited for consideration until April 15, 1978. Authors of accepted abstracts will be asked to submit completed papers by July 15, for final selection. Possible topic areas include but are not limited to: the politics of housing, regional housing policies, methods of improving communications between housing researchers, policymakers and residents, housing for special groups, and housing theory. Further inquiries and/or three copies of an abstract should be sent to Abraham K. Farkas, 419 Harris, University of Tennessee, Knoxville, Tenn. 37916.

The American Association of Housing Educators is an active group of about 300 college and university educators, policymakers and other professionals who share a commitment to furthering housing education, research and public policy.

NCDH and the Fair Housing Law

by Edward Holmgren

On April 11, 1978, we observe the 10th anniversary of the enactment of the Federal Fair Housing Law—Title VIII of the Civil Rights Act of 1968. This statute declares without equivocation that it is national policy “to provide, within Constitutional limitations, for fair housing throughout the United States.”

Credit for filling the early leadership role in this vital legislative field must be denied our Federal Government. More than 10 years earlier, in 1957, New York City adopted the Nation's first law prohibiting discrimination in the private housing market. By April 11, 1968, more than 120 million people—62 percent of the total population of the United States—were living in the 23 States and 120 localities with fair housing laws. After a decade, the Federal Government fell into line.

For NCDH (the National Committee Against Discrimination in Housing), as the only national public interest organization focusing exclusively on housing rights, passage of Title VIII represented a major step forward in its 20-year program of research, public education and technical legal counsel to open housing

proponents across the country. It had worked unrelentingly to lay the groundwork and create a climate of public support for Federal action to prohibit discrimination in the sale and rental of housing, and to reverse the Government's role in the promotion and maintenance of racial and ethnic segregation in residential patterns. For decades, Federal money and power were deliberately used to deny minority citizens their Constitutional rights and thus divide our communities along racial, ethnic, and often religious lines. This violation of our Nation's commitment to freedom and equality for all is exemplified by the exclusionary, racist policies of FHA and VA for a quarter of a century.

So, April 1968 was indeed a time of rejoicing. Together with its 50 affiliated organizations, representing major national religious, labor, and public interest groups, plus a nationwide network of regional and local fair housing committees, NCDH and its allies celebrated a victory of supreme importance. Denial of shelter because of race, religion, ethnic origin, or national background was now illegal throughout this land.

As a general rule, anniversaries are marked by joyous celebrations or by sadness. Whether this occasion evokes a degree of satisfaction or mainly disillusionment, undoubtedly depends upon whether one compares the situation today with that of a decade or more ago, or measures progress over the 10-year period against the promise set forth in Title VIII.

Some Gains

If we turn the clock back and compare the blatant discrimination and openly-expressed racist attitudes of 10 to 20 years ago with conditions in 1978, there is clear evidence that gains have been made, although far too little progress has resulted from the law.

The all but solid wall of discrimination in suburbia and many city neighborhoods has been breached. Formerly all-white suburban communities and racially-restricted sections

of cities are beginning to become exceptions rather than the rule. While the degree of integration varies widely from token to substantial, and while the Fair Housing Law has benefited primarily the minority middle-class, new and inclusive residential patterns are developing. A recent carefully structured, scientifically controlled survey of 40 metropolitan areas, conducted by NCDH under contract with HUD, confirms this development.

Signs of Progress

Marked progress has been made in housing marketing practices. While the NCDH survey found evidence of both overt and subtle discrimination by some real estate practitioners, it also found that significant numbers of brokers and agents are serving black homeseekers fairly and courteously. Few, if any, members of the real estate fraternity speak these days of “forced housing” in reference to protection of minority rights—a spurious phrase coming out of the real estate industry in the mid-1960's which has carried over, with enormous damage, to the field of public education. (At least one prominent member of the real estate industry still uses the phrase, but in a different context. In a recent TV report on efforts to end apartment house restrictions limiting occupancy to adults, the head of a California landlords' association said a ban on such restrictions would constitute “forced housing for children.”)

There are indications that the Fair Housing Law has had a positive educational impact on public attitudes. While irrational prejudice against non-white neighbors is still deeply rooted in the psyche of many white Americans, open racist expressions appear to be diminishing. Harassment of non-white families who have moved into predominantly white neighborhoods still occurs, but far less frequently than in years gone by. Moreover, now the attackers are apt to face vigorous condemnation by residents of the affected neighborhood, as well as prompt action by



the police.

Some progress has been made in bringing the operations of agencies of the Federal Government into compliance with Title VIII. This is particularly true of those regulatory agencies which have supervisory powers over mortgage lending institutions—the Federal Reserve Board, the Comptroller of the Currency, the Federal Home Loan Bank Board and the Federal Deposit Insurance Corporation. Under pressure from litigation by NCDH and other public interest groups, three of these agencies (all but the Federal Reserve Board) have established monitoring and enforcement procedures to prevent or eradicate discrimination in the mortgage-lending decisions of member institutions. The widespread practice of “redlining” is beginning to be scrutinized by these regulatory agencies, and arbitrary decisions by lending institutions to reject all applications for mortgage loans on property in certain areas (most often interracial neighborhoods and adjacent sections) are also being examined. Indeed, NCDH litigation has clearly established that redlining is a violation of various provisions of Title VIII, as well as of Title VI. Further, in another NCDH case—the first redlining case decided on the merits—the court ruled in favor of the plaintiffs, awarding substantial compensatory and punitive damages.

A Long Way to Go

The greatest failure in the 10-year experience under Title VIII is the infinitesimal effect it has had in relieving the housing inequities suffered by low- and moderate-income minorities. And here we run squarely into conditions reaching beyond, although related to, racial discrimination *per se*.

Dr. Robert C. Weaver, president of NCDH and one of its founders, who served as Secretary of the Department of Housing and Urban Development (HUD) under the Kennedy and Johnson Administrations, remained in that office for a short time after Title VIII became effective. During that

initial period of enforcement, Dr. Weaver often repeated a statement he had made many times over many years: “We can’t have fair housing without housing.”

Dr. Weaver’s point is that the supply and distribution of housing—the availability and wide dispersion of shelter at all income levels, and particularly for lower-income households—is a crucial factor in achieving freedom of choice and equal opportunity in housing.

Middle- and upper-income blacks and other minority homeseekers are still subjected to unequal treatment ranging from outright lies and rejection to discourtesies and inconvenience, although not as frequently as in the past. But by far the heaviest burden falls on lower-income minorities; and containment of this group of Americans in substandard housing will continue until the nature of the housing supply is changed.

Suburban communities eagerly seek industrial plants and the tax revenues they bring: they welcome blacks to work in those plants from 8:00 a.m. to 4:00 p.m., but want them back on the highway headed for home, usually in the inner city, at the end of the day. So, across the country outlying municipalities are “zoning out” suitable housing for the very people who supply the labor that helps provide tax benefits to the town. The minority worker is burdened with travel expenses, hours added to the working day, and more often than not a blighted living environment for his family. What a horrendous waste of energy—human and material!

Shortly after its formation, NCDH set forth a three-pronged prescription for ridding the Nation of the discriminatory housing patterns that are crippling so many aspects of American life. It called for:

- 1) An absolute end to racial, ethnic, and religious discrimination in the sale and rental of housing.

- 2) Provision of an adequate supply of low- and moderate-income housing located throughout the cities and suburbs.

- 3) Effective programs to revitalize areas of minority and poverty concentration, looking toward the development of racially and economically inclusive communities.

That prescription still stands as the way to cure one of the most pervasive ills of our society. It is the way to make “fair housing throughout the United States” a reality. As a Nation, we have the resources to fulfill that commitment. But there is a long way to go. □

Mr. Holmgren is Executive Director of the National Committee Against Discrimination in Housing, Inc.

HUD Initiates Automated Review System

by Walter Brown

An automated system for the processing of Fair Housing and Equal Opportunity (FH&EO) complaint and compliance review data became operational in June 1977, culminating a two-year cooperative research and design effort between the Office of FH&EO and HUD’s Office of Administration.

The new system increases management capabilities within FH&EO, enables the Office to respond more quickly to requests for information about the status and processing of individual cases, and simplifies the storage and retrieval of complaint and compliance review records.

With the new system it is possible, at the touch of a button, to determine the status of an individual complaint of housing discrimination received by HUD and the status of individual compliance reviews initiated by the Office of FH&EO. In contrast with the old system which dealt only with closed cases, the new system has the capability to provide daily data summaries of projects under Title VIII (the National Fair

Housing Law) and Executive Order 11063; Title VIII and Affirmative Fair Housing; the Civil Rights Act of 1964 and Section 109 of the Housing and Community Development Act of 1974; the Contract Clause; Executive Order 11246 and Section 3 of the Housing and Urban Development Act of 1968; and State and Local Government Agency Compliance programs.

The development plan for the new system encompassed five specific phases: Design and Programming; Implementation by Central Office; Training of Regions; Implementation by Regions; Modifications and Enhancements.

Phase I began early in 1976 and was completed in the late fall. During this phase Automatic Data Processing Systems Development (ADPSD), with assistance from the Management Analysis Division of FHEO, formulated the basic concepts of the system. Records were designed; edit/update procedures were devised; report formats were created; and testing and debugging of computer programs were completed.

Phase II

During Phase II the system was implemented in the Central Office. Regional Offices continued to forward monthly log sheets to the Central Office, but there the similarity ended. When log sheets were received in Washington, a clerk entered appropriate data through a computer terminal onto a cassette tape, and the entries were verified for accuracy and corrected if necessary. All this preparation was done "off-line," i.e., data preparation was not under the control of the computer. Once completed, however, data was transmitted and stored in the computer where it was sorted, edited, updated, and formatted for report preparation. Among the reports prepared were those that normally appear in the HUD Statistical Yearbook, reports that pertain to open complaints, closed complaints, affirmative fair housing, Title I of Section 109, Contract Clause, Section 3, and Title 8.

Phases III and IV introduced to

the field the ability to obtain first-hand FH&EO data that is relatively recent and comprehensive in content. Phases III and IV began after the system had been tested in Central Office. Regional personnel were trained in the use of the system and are now able to query the data base directly from field terminals.

With the total system up and on the air, all FH&EO complaint and compliance information is handled via terminal. Regional personnel prepare monthly transactions and input from terminals located in the field. These data are transmitted via HUD Telecommunications Network to the Central Office main computer facility where files are updated and output reports prepared.

Phase V introduced to the system the capability to obtain "aging" reports and lapse-and-time analyses of closed cases. □

Mr. Brown is a Systems Analyst in ADPSD, HUD Office of Administration.

The Anniversary of the Fair Housing Act

by Frank E. Schwelb

As we pause to mark the tenth anniversary of the passage of the Fair Housing Act of 1968, we find ourselves, in some respects, in a different America from that which existed then. A great deal more remains to be done, but it is worthwhile to reflect for a moment on the change that has occurred.

It is now widely acknowledged that the Federal Government was one of the principal architects of racial segregation in housing. For many years, the FHA encouraged, required, and occasionally even prepared racially restrictive covenants which purported to protect federally-assisted

housing from the "intrusion" into a neighborhood of what were euphemistically called "inharmonious" racial groups. There is evidence that racial redlining and other discriminatory practices by the government continued into the late 1960's and occasionally even beyond. The disregard of the interests of blacks and others displaced by urban renewal earned that program the wry epithet "Negro removal." Today, despite unfortunate lapses, the Federal Government is firmly and, I hope, irrevocably committed to equal housing opportunity and to firm and responsible action to secure it.

The private sector has changed too. Well into the 1950's, the Code of Ethics of the National Association of Real Estate Boards explicitly forbade sales to "members of any race or nationality" whose presence in the neighborhood would be "detrimental to property values," and it is well known that many real estate boards adhered to this approach until the passage of the 1968 Act. A much quoted real estate text ranked races and nationalities as follows with respect to their supposedly beneficial effect on land values: (1) English, Germans, Scotch, Irish, Scandinavians, (2) Northern Italians; (3) Bohemians or Czechoslovakians; (4) Poles; (5) Lithuanians; (6) Greeks; (7) Russian Jews of the lower class; (8) South Italians; (9) Negroes; and (10) Mexicans.

Today, the National Association of Realtors officially supports fair housing and, in its Realtor's Guide to Equal Housing Opportunity, favors affirmative steps to promote equality and even accepts testing.

Sex Discrimination

In 1974, the Fair Housing Act was belatedly amended to prohibit discrimination based on sex. This long overdue reform put an end to the legality of a variety of practices which humiliated and victimized women, such as the discounting of the income of working wives and the intrusive personal questioning of women's private sexual habits, osten-

sibly to ensure that they would not bear children and would continue to work and earn.

Although crude and willful discrimination still exists—indeed, vigilante activity against and harassment of persons exercising their rights have increased alarmingly in some areas—the overall nature of the issues has changed. Refusal to deal with non-white applicants—a common practice in 1968—is now far less common than reluctant dealings with them. We now find the various kinds of racially based suggestions that blacks live outside white areas, which have come to be known as racial steering, far more frequent than rigorous exclusion. Public opinion used to be overwhelmingly against equal housing opportunity, but Southern as well as Northern juries have awarded damages totaling thousands of dollars.

My appeal to those who support equal opportunity is to stick with it even in the more complex world of the late 70's and the 80's, for we could easily slide back to a more discriminatory era. In the words of Edmund Burke, "All that is necessary for the forces of evil to win in the world is for enough good men [and women] to do nothing." □

Mr. Schwelb is Chief of the Housing and Credit Section, Civil Rights Division, in the U.S. Department of Justice.

The Housing Discrimination Hot Line

by Thomas O. Jenkins

"Is this 800-424-8590? Can you help me? Can you give me some information about housing discrimination?"

Approximately 250 times each week, questions like these are asked of the people who staff the HUD Office of Fair Housing and Equal Opportunity Discrimination Hot Line.

Most of the calls are from people who for one reason or another believe they have been discriminated against. Some of the callers request basic information on the National Fair Housing Law. In the majority of cases the caller is given the information he or she needs promptly, or is referred to someone who can answer the question.

The Office of Fair Housing and Equal Opportunity is equipped to advise people of the rights and remedies available to them under the National Fair Housing Law. Sometimes the situation can be rather complicated, for, in addition to the Fair Housing Law, there is the Civil Rights Act of 1964 and various other laws and Executive Orders. Each speaks to some aspect of housing discrimination and each has its own technicalities and procedures.

In 1970 the Office of Fair Housing and Equal Opportunity began to explore the ways in which it could better communicate information about the Fair Housing Law and better serve its constituencies. The toll free Housing Discrimination Hotline was one result of this effort.

In July, 1971 a limited service Hotline was put into operation on a test basis. Advertising and contact

work with public and private groups in the area of the test accompanied the installation of the Hotline. At the end of three months the Hotline had demonstrated its ability to perform a significant public service and public information function.

A second phase of implementation extended the scope of the Hotline to the Eastern half of the United States in October, 1971. Nine months later, a nationwide Hotline was inaugurated.

The service rendered by Hotline personnel covers the spectrum of antidiscrimination activities handled by the Office of Fair Housing and Equal Opportunity. Some examples:

Carmen, a young Puerto Rican woman from Chicago decided that she would like to move into one of the new security high rise apartment complexes in the suburbs. The rental agent asked for her name and then informed her that there were no vacancies. Suspecting that discrimination was involved, she asked her fiancé, José, to call for her. When José contacted the rental agent and gave his name as John Caldwell, he was told that there were, in fact, four apartments available immediately. The next day the applicants filed a complaint with the local HUD office.

In Philadelphia, a racially-mixed couple was denied rental of a home. A divorced woman with small children was denied credit and mortgage loans.

A young woman, Sheila, was passed over for promotion 2 years in a row. Later, three male employees in her office who had the same responsibilities as she were given promotions. When Sheila asked her supervisor to explain his actions, he said, "Those men have wives and children to support. You live alone."

What can be done about these cases? The office of Fair Housing and Equal Opportunity is responsible for assuring that all complaints, such as Carmen's, are investigated and conciliated if discrimination is found. Additionally, the Office has the responsibility for assuring that pro-



grams and activities funded by HUD operate in a nondiscriminatory manner and that equal employment opportunity is a department-wide policy.

HUD's Equal Employment Opportunity Counseling Program is designed to advise and assist all employees who may have grievances. In Sheila's case, the counselor advised her to file a complaint. She did so and was granted a retroactive promotion.

In a supportive effort to these regulatory requirements, the Office assists national organizations, and private and government agencies in developing voluntary approaches to accomplishing the objectives of the Federal Fair Housing Law throughout the United States.

An example of this kind of assistance is HUD aid to the Mobil Oil Company, which has a nationwide locator service that helps its employees find suitable housing which they can afford.

Today the Hotline operator is a well-informed person with several years experience in answering the myriad questions and requests received each week. As a byproduct of this experience the operator can and often does provide incisive suggestions to callers and assists individuals with housing problems not associated with the protections provided under the National Fair Housing Law. While this "fringe benefit" was not anticipated when the Hotline was inaugurated it has become a welcome addition to HUD's overall public information and public service program.

Fair Housing and equal opportunity are necessary to the operations of Federal, State and local government, businesses and private citizens. Everyone has a right to a way of life free of discrimination. The Office of Fair Housing and Equal Opportunity Housing Discrimination Hotline is one of the tools that can assure this way of life. □

Mr. Jenkins is Assistant for Operations, HUD Office of Fair Housing and Equal Opportunity.

Market Control through an Abbreviated Leasing System

by James H. Martin

What follows is a proposal for an abbreviated leasing season in public housing. It is designed to control the market, provide a way of decreasing overall project costs, and, for the first time, outlines a means of reducing the burden of obtaining full occupancy.

One of the biggest problems facing management is the continual leasing, preparing and releasing of units on a 12-month basis. All this movement on behalf of the market is at the present time up to the market and until now management had little control.

Why not create an abbreviated leasing season which takes place during the most opportune leasing time (April through September). In this abbreviated time span, which could be as short as one month, all renewals become due, tenants sign new leases, transfer, terminate their leases and new tenants move in. The initial problem facing leasing is the prospective tenant who comes in during the off-season seeking residence. His options are a long-term or short-term lease, both of which become due during the selected leasing months.

In preparation for this season a majority, if not all tenants, can be interviewed to determine who will renew their leases, their reason for leaving and the amount of turnover or vacancy the project must face. This information would allow management to prepare a marketing plan geared toward eliminating the future vacancy.

The following areas of clerical, leasing and maintenance present more specifically how planning and savings could affect the project:

Clerical and Leasing:

- Reduce leasing and clerical staff

during off-season. Any miscellaneous leasing can be handled by one office manager who can also handle book-keeping and arrears.

- Reduce advertising during the off-season.

● A successful marketing program for projects which experience cold winters will assure maximum occupancy at the time of the year when utility costs are at their highest. Projects which are individually metered will incur little or no additional utility expenses and projects which are master metered will hold their operating expense to a minimum.

● The amount of time in which a unit is vacant and not producing income can be more effectively reduced in this shorter concentrated time span. The date of vacancy and time needed to prepare any unit is now known and leasing agents can lease ahead, reducing as much as possible the number of non-income producing days. This area alone could create the largest savings to the project.

Maintenance:

● Unit preparation during the off-season is virtually nonexistent and can be handled as normal maintenance, thus creating the need for fewer maintenance personnel.

● During the leasing season, when the labor force is at its peak, unit preparation could be accomplished by contracting the job or increased project staffing. Units which will be vacated can be inspected prior to move-out; tenant charges against security deposits, maintenance work loan and decorating can be pre-planned, thus working hand-in-hand with leasing in this concentrated time span to decrease vacancy loss.

● Normal maintenance can continue on a 12-month basis providing daily service to the tenant without an increased force. Janitorial and grounds maintenance will not be affected by this change. □

Mr. Martin arrived at the above conclusions on the basis of his experience as a loan specialist in the HUD Insuring Office in Albany, New York.



Three Perspectives on Ethnicity in America, edited by Carlos E. Cortes, Arlin I. Ginsburg, Alan W.F. Green and James A. Joseph. New York, Putnam, Capricorn Books, 1976. 429pp. \$12.95; \$4.95 paper.

Four editors, of varied ethnic heritages, submit this ample anthology which examines how blacks, Chicanos and Native Americans have fared in the United States from colonial times to the present. These groups' lasting faith in America's promises met, and is still often meeting, the realities of harsh and unjust treatment. Source materials for this book are original documents of many writers, but the introductions, to the book and to its six chapters, are the editors' work.

In the early seventeenth century, the English settlers in America found Indians, black Africans and Spaniards. Since their customs and appearances were "different," the English held them in general disfavor. The Pilgrims found the Indians willing to be "loyal and dutiful subjects." Puritans, in search of Indian lands, met with trouble and warfare. Negroes were considered not only different but "inherently inferior." As for Spaniards, Anglo-Americans believed that "Catholicism combined with innate depravity to produce the Spanish character." The passage of time changed such attitudes to strong prejudices. In the late eighteenth century, Thomas Jefferson's "Notes on the State of Virginia" said he "doubts that Negro slaves could ever be successfully emancipated and absorbed into American society as equals."

Naturally, Indians, Africans and Spanish speaking people had their counter-images and responses to Anglo-Americans.

Anthropologist Nancy Oestereich Lurie relates that "from the beginning of their contact with the English the Indians of Virginia never thought very highly of whites or European civilization." David Walker, an eloquent black, bitterly denounced the oppression of his people but feared that the United States would never allow them to be free. The great Frederick Douglass also condemned such oppression and pronounced his belief that "blacks had the same abilities as whites and would rise if given legal equality and the right to live without interference." As the United States expanded to the West, the Mexicans, having seen and heard of American treatment of the Negroes and Indians, chose war against us in 1846 over being regarded as inferior and inevitably witnessing the death of their culture.

The final chapter of this impressive, very well documented book deals with minority activism and minority groups' continued concern with goals and tactics. The struggle for equal rights on a national scale began among blacks with the 1905 Niagara Movement which was soon absorbed by the National Association for the Advancement of Colored People. Alianza Hispano American,

begun in Tucson in 1894, was the first of related groups to aid Chicanos. For Native Americans, the All Pueblo Council, campaigning for retention of tribal lands, won national attention and support. Among the NAACP's legal victories after World War II was the prohibition of discriminatory practices in housing. The Congress of Racial Equality helped register thousands of Chicano voters in the late forties and fifties. Native American interests were furthered by the National Congress of American Indians.

Later, more militant civil rights leaders appeared who called early 1960 movements "too little, too late." The selections in the chapter illustrate minority groups' various approaches to social problems in the post-World War II period.

—Gretchen B. Gregory
Reference Librarian, HUD

Residential Location and Urban Housing Markets, edited by Gregory K. Ingram. Cambridge, Mass. Published for the National Bureau of Economic Research by Ballinger Pub. Co., 1977. (Studies in income and wealth, 43) 403pp. \$20.00.

This book contains a selection of essays on the microeconomic and spatial aspects of housing markets in urban areas. Since these aspects of housing analysis have only recently been widely studied, the book attempts to systematize the economics of residential location and urban housing markets. The editor, Greg Ingram, categorizes the problems of microanalysis of housing issues into three areas: problems of theory, problems of measurement, and problems of policy analysis. Topics covered in the study include household choice of location and dwelling unit-type, structure of housing prices in urban areas, behavior of housing producers, and the provision of public services by local governments. In all, fifteen authors contribute to ten papers covering numerous housing market topics. In addition, each area is commented upon by an eminent scholar in the field.

Before the 1960's, the interests of most housing economists lay in the macroeconomic factors affecting housing markets. In the last two decades, however, much attention has been given to the details of individual housing markets in urban areas. This book, while not nearly unified or comprehensive, does a fine job of addressing the theoretical, quantitative, and policy-oriented problems of microeconomic housing analysis.

—Robert Buckley,
Director, Division of Housing
Finance Analysis, HUD

Reviving the Inner City

THE LESSONS OF OAKLAND'S CHINATOWN

by Willard T. Chow

Assistant Professor, Department of Geography, and the Pacific Urban Studies and Planning Program, University of Hawaii at Manoa

Misconceptions about the role and value of ethnic communities continue to blur attempts to understand the American city's past and cloud perspectives on its future. Such misconceptions can thwart efforts to cure the ills of the central city, regardless of the nobility of intentions or the size of expenditures. This paper examines some of the major confusions and offers an alternative way of viewing a central city like Oakland, California, by evaluating the significance of Oakland's Chinese quarter, one of the city's oldest areas of ethnic settlement.

Sequestered in the heart of Oakland for nearly a century, the 40-block area generally known as Chinatown dramatizes the plight of many historic inner city communities that await re-awakened perceptions by residents, public officials and private investors. Both Cantonese and English are spoken in the quarter, and about half the area's population is Chinese. Other residents are white, Black and Filipino, predominantly single males.

Sidewalk delicacies, exotic scents, ornate gates, and venerable buildings clustered in a few blocks in the western half of the quarter give the area a flavor distinct from that of the surrounding townscape. The Victorian style of some of the area's dwellings dates back to the days of Jack London, when the Madison Square (eastern) half of the district was an elegant neighborhood.

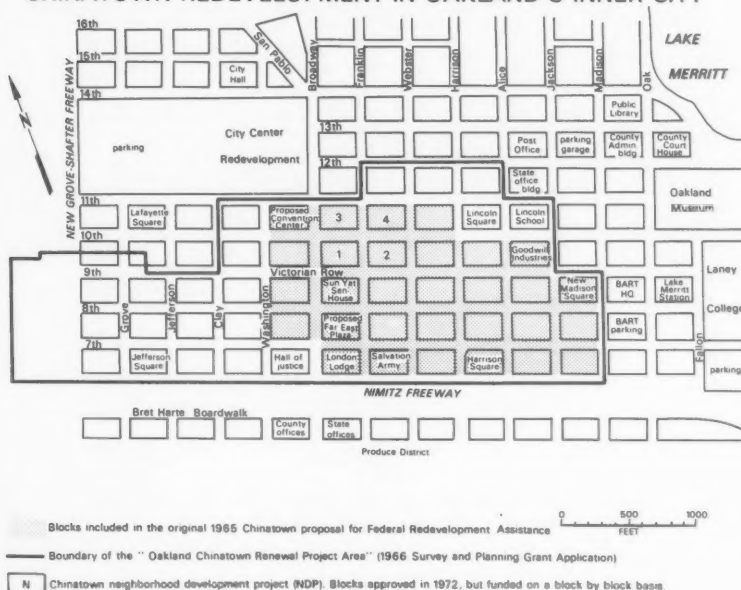
During the past decade, the city's ambitious revitalization efforts have begun to disturb the quarter's equilibrium. New high rise offices, part of Oakland's City Center Project, have

emerged at its northwest corner. Warehouses and factories still dominate to the south, where railroad, freeway, and waterfront facilities converge. Along the eastern edge of Chinatown is Laney College, built during the late 1960's on what was previously an industrial site, and designed by Skidmore, Owings and Merrill in a style reminiscent of a medieval walled city. Oakland's Civic Center, an expanding complex of offices and public institutions, stands on the northeastern fringe of the Chinese quarter. In the northwest corner is the four-block portion designated as the redevelopment area.

To the Chinese in Oakland, Chinatown is more than geometric space, real estate or a decorative landmark. Like other places, it is also a "construct of experience... sustained not only by timber, concrete, and highways, but also by the quality of human awareness." To those Chinese who have had no other home for much of their lives, Chinatown has served as both a refuge and a stepping stone. The Chinese junk on which children play at Lincoln Playground symbolizes the heritage and hopes of four generations of Chinese-Americans.

Rents are lower in Chinatown than elsewhere in the city, and mothers with young children can work in the nearby sewing factories that became numerous after 1965, when many working class immigrant families settled in Oakland. Help for newcomers and older residents is available from churches and social agencies like the Chinese Community Council, the Chinese Community Center, Asian Health Services, East Bay Asians for Community Action, and Lincoln School. For those residents particularly, Chinatown is not simply a place to eat, sleep and work; it is also their principal "connection" with the job market, the public bureaucracy, and the political arena. A place to turn to in time of need, Chinatown continues to offer its residents assistance within the complex urban systems of Oakland and Alameda County.

CHINATOWN REDEVELOPMENT IN OAKLAND'S INNER CITY



Ethnic Neighborhoods: Ambiguities

Much of Chinatown's timeworn exterior is plainly visible, but the causes of its blight, like those of many ethnic districts, are less apparent. The physical condition of ethnic neighborhoods hinges on the expectations and decisions of lenders, property owners, and public officials as well as residents. The location of transit facilities and other public services, zoning and code enforcement, and the presence or absence of local capital improvements have all affected the well-being of inner city neighborhoods. Significantly, many urban conflicts have centered on the issue of who is to control the development of inner city residential communities. The depressing effects of past discrimination in housing, including the use of racially restrictive covenants, have continued to be reinforced by the practice of "redlining," whereby the flow of private financing into certain neighborhoods has been blocked or diverted.

As confinement to ghettos came to be recognized as a social evil, the alternative of ethnic dispersal and residential integration were generally accepted as desirable goals. But the benefits of dispersal included certain ambiguities, since social well-being could not be defined exclusively in terms of space. It became clear that the quality of life also depends on a complex of expectations and aspirations that might or might not be best served by dispersal, and that accordingly some people might not choose dispersal.

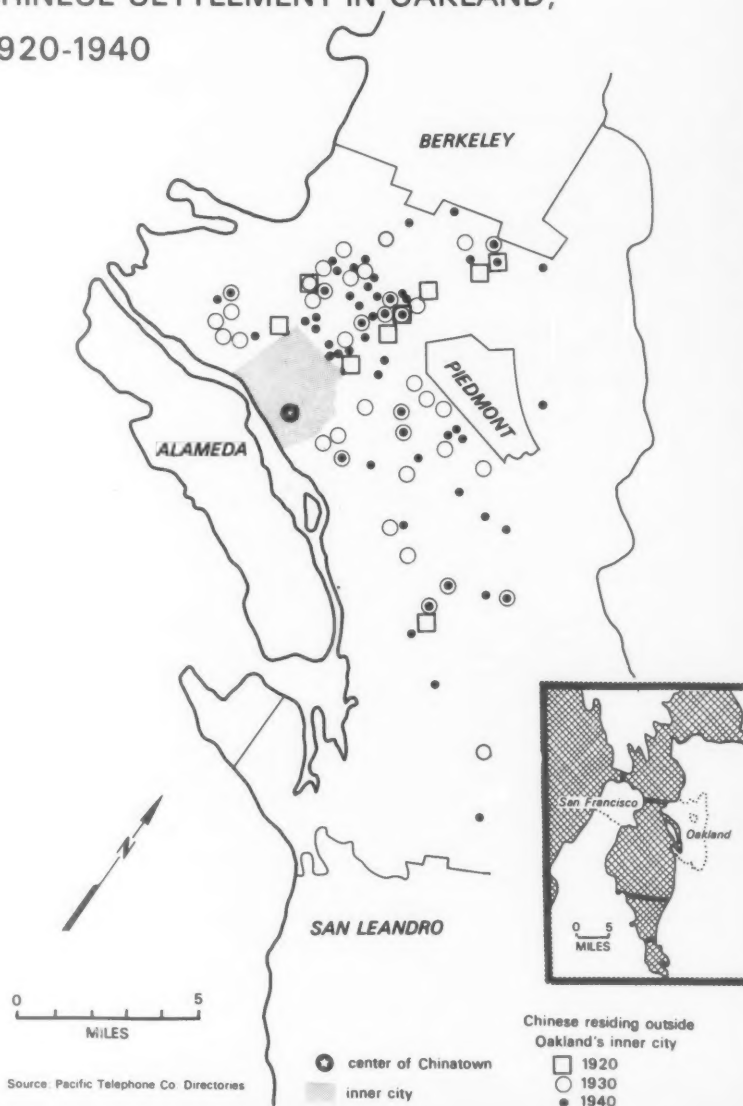
Since freedom of choice in housing can be assured only when ethnic groups have a wide range of alternatives, it follows that if members of ethnic communities are to be able to live where they wish, they must have access to housing both within the inner city and outside it. Yet residential opportunities in Oakland's Chinatown have been increasingly restricted during the past two decades. Publicly funded projects, such as the Nimitz Freeway and the Bay Area Rapid Transit District, have reduced the housing stock. It has

become more difficult for Chinese newcomers to find a home in Chinatown and for long-time residents to remain there, despite the efforts of the Oakland Redevelopment Agency to build new low and moderate rent housing at the northwestern corner of the quarter in the four-block redevelopment area.

The writer holds these views: (1) the preservation and rehabilitation of

stable inner city neighborhoods is a desirable goal; (2) stable communities with responsive institutions, neighborhood ties, and a sense of common destiny, like Oakland's Chinatown, take years to build and much effort to sustain; (3) the dynamic equilibrium these communities have struggled to achieve can be upset by the changing expectations and collective actions of private investors and

CHINESE SETTLEMENT IN OAKLAND, 1920-1940



public officials; but (4) such actions and decisions often go unchallenged because no single planning agency is willing or able to accept overall responsibility for the cumulative impact of development.

Chinese Settlement in the Bay Area

For most Chinese living in American cities, ethnic institutions and sub-cultural ties to Chinatown have persisted despite a growing emphasis on civil rights and occupational mobility. The experience of the Chinese may well apply to other more recent immigrant groups, such as the Chicanos, Puerto Ricans, and Filipinos, who also tend to cluster in certain districts. For newly arrived Vietnamese sponsored by American families, however, community bonds will be more difficult to sustain.

Chinese enclaves developed as immigrants came to the United States during the last half of the 19th Century. Ousted from most of the rural West by racial harassment and violence during the 1870's and 1880's, thousands of Chinese miners, construction laborers, farm workers, fishermen, and factory workers sought refuge in San Francisco, where clan, district, and community organizations had become exceptionally powerful.

The extraordinary resilience of San Francisco's Chinatown stems from the strength of institutions forged during a period of intense racism and discrimination. Restrictive housing practices favored landlords, while discriminatory hiring gave employers the advantage. Poor Chinese immigrants were exploited by unscrupulous Chinese as well as non-Chinese landlords and employers. Responding to external pressures and pressing social needs, San Francisco's Chinatown became the strongest and largest Chinese community in the United States.

In contrast to San Francisco's Chinatown, most typical Chinese communities in the United States functioned simply as housing, employment, and social centers for Chinese laundrymen, peddlers,

laborers, and shopkeepers. Chinese communities like Oakland's provided less security against racial violence than did San Francisco's, but life there appeared to be less congested and less competitive, and allowed residents a measure of freedom from the norms, obligations, and economic constraints that had become entrenched in San Francisco's merchant-dominated quarter.

City ordinances restricting (Chinese) steam laundries from certain sections of downtown Oakland and banning (Chinese) peddlers from the streets were passed in 1880 and 1891 to protect the interests of local businessmen. This pattern of restricted occupancy was common to most Chinatown communities in the American West. Modesto's 1885 ordinance prohibiting (Chinese) steam laundries from residential areas has been cited as the first example of zoning in the United States.

In San Francisco the Chinese quarter flourished in a relatively desirable part of the city. But squeezed between the city's burgeoning financial, hotel, high class retail, and Italian districts, it also won the dubious distinction of having the city's highest population density and tuberculosis rate. Repeated attempts to dislodge San Francisco's Chinatown have proven unsuccessful. The most striking attempt occurred after the 1906 earthquake, with efforts to relocate the Chinese at Hunters Point. Other Chinatowns, less well organized and thus less powerful, have not fared nearly as well.

Oakland's loosely knit Chinese community, for example, was far more vulnerable to competing land uses than San Francisco's, which was fortified by its interlocking institutions and large population. Although the Chinese began to settle in Oakland by the 1860's, they were periodically displaced until 1880, when Chinatown's present site was finally established. Chinatown in Oakland, as in many other American cities, was confined to the light industrial and wholesale district. Racial segregation was widely prac-

ticed, and the presence of the Chinese quarter was tolerated as long as it was located in an area that others considered undesirable for residence.

Although new high-rise condominium-apartments have been privately built on Chinatown's western front, and more are planned for the four-block Chinatown Neighborhood Development Project, the situation on the eastern flank is more precarious. Construction of mass transit facilities, BART headquarters, and the Lake Merritt Station has begun to generate changes in the Madison Square section of Chinatown. These indirect effects will have lasting impact on much greater areas than the specific housing the facilities themselves have replaced.

Concern about underutilization of BART's Lake Merritt Station, for example, has prompted efforts to turn part of the section into a regional center for government agencies, even though funding is unlikely and the project appears to be about a decade away from realization. Lake Merritt Coliseum Development Project (LMCDP), a prime mover behind these efforts, has nonetheless held community meetings to involve citizens in the planning and development process. The project was created in 1973 by the City of Oakland, the regional Metropolitan Transportation Commission, and BART. While LMCDP holds that new housing units (at rents similar to those of demolished units) should be built before any housing is torn down, the demolition of older housing in adjacent blocks may be an indirect consequence of development. New office buildings may trigger more demolition on adjacent properties than within the development area itself.

Chinatown Housing and Neighborhood Preservation

The need for more housing is widely accepted, but controversies continue over where housing investments ought to be located, and what kind of housing should be made available. New single-family and condominium

housing in the suburbs have been in great demand, and have thus been relatively profitable for builders and lenders. Moreover, higher rates of residential mobility that follow new construction mean increased commissions on sales.

In contrast, the alternative of "slow growth" in the suburbs and rehabilitation of the inner city involves a narrower and riskier market. It appears that the option of rehabilitation would encourage residential stability, resulting in less turnover of property, and thus lower sales activity in the real estate market. Proponents of slow growth in the suburbs have been branded elitists, racists, or preservationists. Moreover, advocates of inner city rehabilitation have been accused of "ghetto gilding" and encouraging inefficiency. Nevertheless, both strategies could produce a steady expansion in housing stock, with a minimum of demolition and dislocation.

Providing inexpensive housing in Oakland's Chinatown is essential for neighborhood preservation. The destruction of low rent housing in the quarter has multiplied problems for both young and old, and has also created a dilemma for officials responsible for meeting residents' needs within budgetary constraints. Many elderly Chinese learned to rely on the quarter during periods of blatant racism, and still need many of Chinatown's services. They must now travel long distances for the information, health care, bilingual assistance, and social companionship available in Chinatown. Those in Chinatown with limited mobility would be particularly unfortunate if displaced into East Oakland, where most of the Chinese are now dispersed.

For Chinese immigrant families, perhaps the most acute problem is in the schools, where youngsters often have difficulty with the English language. Special educational programs and bilingual assistance have usually been available in Chinatown, but such programs are often lacking in East Oakland schools, where the Chinese constitute a much smaller

portion of the total enrollment in each school. Further dispersal would make such special assistance more difficult to provide and expensive to support than in schools with greater concentrations of Chinese students, although it could be done through busing and other devices.

Thus revitalization and relocation in outlying areas have made special education programs more difficult for both school officials and minority students who need help. The problems of Chinese youngsters in school do not stem from lack of motivation, but rather from lack of institutional awareness of their needs and responsiveness to them. The United States Supreme Court, ruling that San Francisco's public schools must give instruction to minority students in the language that they use, has recognized the necessity for special bilingual education. How promptly, efficiently, and effectively can this be accomplished in the face of increasing ethnic dispersal?

Stable neighborhood communities provide much more than housing. They perform services that benefit the city as a whole. Thus for nearly a century Chinatown has offered information, training, welfare assistance, direction, and hope for the unemployed. Buffeted by regional adjustments and technological shifts, the unemployed and underemployed must often be retrained, re-qualified, and made aware of opportunities before they can be absorbed or reabsorbed into the mainstream of the economy. Minorities, for example, usually need help in overcoming union employment restrictions. Thus employment programs for ethnic minorities have been much more effective where bilingual staff is available and activities can be adapted to particular needs. Erosion of the inner city base that supports such a mobile labor force has consequences extending far beyond the boundaries of Chinatown itself.

A Reappraisal of Costs

Advocates of publicly funded inner city development cite the expected

benefits of increased tax revenues and receipt of Federal or State subsidies. Project costs that spill over or affect areas beyond the designated development, as suggested earlier, may escape careful examination. The costs of disrupting stable communities, although difficult to calculate, will nevertheless be paid in the increased expenses of various public agencies or in the intangible human losses associated with dislocation, isolation, and loneliness.

Examples of such costs may be found in Oakland. Although property values in the inner city have risen, public outlays have also escalated. The increases have not been due to an upsurge in social programs for the city's disadvantaged, but to relieve higher costs of police and fire protection. Increased demand for these services may be stimulated in part by loss of stability in Oakland's now scattered low-income districts, where neighborhood ties and communal aspirations have weakened during the past decade.

Moreover, even the benefits of development may fall short of expectations. It was hoped that federal subsidies would lure new private investors into Oakland, but so far the results have not been encouraging. Unless functional problems can be resolved, it is doubtful that ambitious plans for reviving the central business district will succeed. Stable working class communities may play a more significant role in maintaining retail activity than has been generally realized.

Making Oakland More Attractive

In terms of convenient access and parking, suburban regional shopping centers are more attractive for most retail needs than Oakland's downtown shops and department stores. In terms of limited appeal (specialty) retailing, San Francisco and Berkeley have much wider selections of goods and services and more distinctive surroundings. Downtown Oakland serves mainly local residents and its own employees. Even with BART and linkage with the Grove-Shafter free-

way, its market is not likely to expand dramatically, at least as presently envisioned. If Oakland is to compete, it must achieve some sort of functional distinction.

Oakland presently lacks the pageantry, local color, variety, and identity that make San Francisco such an exciting attraction for visitors and shoppers. Oakland's city fathers have favored the development of Chinese shops and restaurants in order to bolster the city's nighttime activities. But in the writer's view they have shown little enthusiasm for preserving and strengthening the Chinese community by rehabilitating its older housing. Such a policy could foster the residence of stable working-class and middle-class families, whose presence in turn could help make the inner city a much more active and interesting place, probably a good deal safer after dark, and surely a lot less sterile than unrelieved offices or condominium apartments. Shoppers and visitors might be much more attracted to a Chinatown with kids and their grandparents on the streets than one dominated by office buildings with no social character or special activities other than housing a daytime workforce that leaves for the suburbs when the workday is over.

It is becoming clear that intensive, narrowly focused commercial development can have dehumanizing consequences. San Francisco's Dianne Feinstein and George Moscone, for example, have observed the monumental scale of much building in San Francisco and noted that the structures impose social costs on the city residents. High-rise office buildings alone lack the socializing warmth provided by small shops, businesses, eating places, and other establishments that cater to the needs of neighborhood residents as well as people who work downtown.

With respect to Oakland's inner city, planners have recognized the advantages of mixed commercial and residential development for a safe, attractive, and lively community. But what kind of housing should be en-

couraged? Exclusive focus on new apartment complexes and high-rise condominiums will foster a typically self-contained pattern of activities, marked by electronic gates and sophisticated security systems. In contrast, the rehabilitation of old housing can instill or strengthen a sense of community pride and cooperation among residents, especially in working class neighborhoods. In the writer's view, the benefits of rehabilitation are more likely to spill over than those of brand-new apartment-condominiums. The "balanced approach," combining rehabilitation of old housing and building anew as advocated by many planners in Oakland, is sound provided that it applies to the entire quarter and not just those blocks within the boundaries of the redevelopment project.

Conclusion

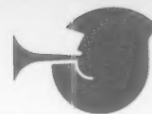
Efforts to increase the availability of low cost housing in the inner city are already under way in many cities, and promising neighborhood preservation programs, like Neighborhood Housing Services, have already started. Private attempts to convert obsolete industrial and commercial areas into new luxury apartment housing in Oakland—such as Portobello—have been remarkably effective, despite the difficulties involved. These developments suggest that radical reform may not be necessary, if public support and private capital can be drawn back into the rehabilitation of inner city housing and the construction of new housing on obsolete industrial and commercial property. If this is to occur, the practices of lending institutions and the policies of government agencies will have to be retooled to recognize the functional value of inner city communities like Oakland's Chinatown.

As we have seen, the decisions of key actors—lenders, landlords, realtors, appraisers, city planning staff and commissioners, elected local representatives, State and Federal officials, and community leaders—combine to determine the market

value, attractiveness, and livability of the neighborhood. Fresh paint, home repairs, and minor renovations may be within the grasp of Chinatown residents. But the final risks and pay-offs of such investments are usually determined in the financial and real estate market, not at home by members of the resident household. Just as both neighborhood decline and preservation result from a series of decisions, so the task of neighborhood preservation and rehabilitation involves cooperation, persuasion, and sharing a common vision of the future among lenders, public officials, property owners, and residents.

In short, new legislation and innovative programs may not be needed; they are already available. The crucial element necessary to enhance the vitality of Chinatown is a clearer vision of its role in inner city revitalization. If residents can exert meaningful influence over the development of their own neighborhoods, then they may begin to see the familiar streets and buildings as a means of realizing communal aspirations, rather than as monuments to social injustice. If public officials recognize the value of stable working class communities like Oakland's Chinatown, then they may regard neighborhood preservation as a way to reduce social costs, rather than as roadblocks to the expansion of municipal revenues. If lenders understand that the risks of financing inner city housing can be reduced through the organized efforts of concerned residents, local officials, and their own staff, then they too may cooperate.

Thus the preservation of inner city neighborhoods can serve their own residents and also help to save the city as a whole. The viability of working class ethnic communities, whether in Chinatown or elsewhere, may encourage middle class residents to stay in a city whose districts and streets are occupied by people who are proud to be there. Preserving these communities may keep the human spirit alive in the heart of the American city. □



"Life is not simple, and solutions to the problems of life are not lurking in the slogans treated as programs. The demand for 'something new' is really little more than the expression of a wish for simple answers and new slogans. No fairy godmothers, not this HUD Secretary, and not even the President, can provide simple solutions, and this the President knows.

"This is why we must have your understanding, help and support for the development of an urban policy and programs that deal with complexity, are directed to the reality of the diversity of urban needs, and allow the Federal Government to encourage and support need where it is and as it is. There is nothing wrong, inherently or theoretically, with addressing complex problems with a variety of approaches and tools.

"No broad spectrum antibiotic for urban ills has been found and let us remember that economic development is not the penicillin for urban decay, if at the same time there are no hospitals, no low-cost housing and no decent transportation. That one agency can deal with all of these issues is too absurd to suggest, but that each can have the tools it needs to secure the benefits it is established to provide is a goal that is part of urban policy coordination."

*—Patricia Roberts Harris, HUD Secretary,
National Urban Coalition, Tenth Anniversary,
Washington, D.C., January 31, 1978*

"There are about 70 million dwellings throughout the United States, most of them built at a time of cheap energy. Therefore, most of them are not nearly as energy-efficient as they should be. Currently some 27.8 percent of the total U.S. fuel use occurs in the home. [Citing the need for orienting homes] . . . In the North, many locate homes on the lowest portion of the lot for wind protection, place trees as wind breakers, and face the home in the direction that allows it to get the most sun in the winter. . . . Buyer requests will bring about changes in appraisal techniques. . . . The energy efficiency of a home will help determine the value, and appraisers will recognize this in comparing conventionally built homes with energy-efficient ones."

*—William M. Shenkel
Professor of Real Estate
and Urban Development, University
of Georgia, speaking at the
Mid-Winter Meetings of the
National Association of Realtors,
Feb. 3, 1978*

"In addition to my concern about the effect of National Growth Policy on urban areas, I am equally concerned about the effect on minorities and women.

"I want to urge this Conference to keep in mind the unmet needs of many Americans and to keep in mind that to these Americans, balanced growth must mean equity.

"Specifically, let us look at the current experience of non-white Americans. The facts are bitter but true:

"There are twice as many blacks out of work today as there were 10 years ago. In 1967, 638,000 or seven percent of blacks were officially unemployed. But in 1977, 13 percent or 1,492,000 blacks were unemployed. Unofficially, unemployment rates are considerably higher—over 60 percent of inner city youths, according to the Urban League.

"By most indices, the social and economic conditions of Urban Puerto Ricans and Mexican Americans are worse than that of blacks, and those of native Americans worse yet.

"Is the American public aware of these realities? Not only does most of the population believe that very little discrimination exists, according to the polls, but an October 1977 New York Times/CBS survey showed that 40 percent of the citizenry think that the unemployment rate for blacks is either less than or equal to that of whites.

"Your work can do much to correct this misimpression and more importantly, it can lay the groundwork for a national policy which will ultimately correct these historic injustices."

*—Patricia Roberts Harris, HUD Secretary,
White House Conference on Balanced National Growth
and Economic Development, Washington, D.C.
February 1, 1978*

"We need to concentrate important technical skills in field offices where the expertise will contribute directly to smooth production and sound management. . . . We need to establish direct lines of communication between those who set policy and those who implement it. . . . And finally, we need to institute a high degree of accountability for performance."

*—Lawrence B. Simons
HUD Assistant Secretary for Housing/
Federal Housing Commissioner
Addressing the Legislative Committee
of the National Association of
Realtors, Feb. 3, 1978*



lines & numbers

Proposed HUD Budget, Fiscal Year 1979 (October 1, 1978 - September 30, 1979)

DEPARTMENT TOTALS (Dollars in Millions)	Actual 1977	Estimate 1978	Estimate 1979
Appropriations	\$ 10,941.3	\$ 10,554.2	\$ 10,982.0
Budget Authority	34,199.9	38,443.0	33,312.0
Budget Outlays	6,131.6	8,756.6	9,812.1
Appropriations for Subsidized Housing	2,300.0	2,245.0	3,070.0
Housing Units Eligible for Payment	2,649,650	2,829,000	3,140,000
HUD Housing Starts, Fiscal Year	128,501	180,000	296,700
Full-Time Employees in Permanent Positions	15,261	15,990	17,400

HUD Budget Authority (Dollars in Millions)

MAJOR ELEMENTS			
Annual Contributions—Public Housing	\$27,998.0	\$31,522.2	\$31,090.6
Community Development Grants	3,248.0	3,600.0	3,750.0
Urban Development Action Grants	—	400.0	400.0
Public Housing Operating Subsidies	595.6	685.0	729.0
Urban Homesteading	(15.0)	(15.0)	20.0
Urban Extension Service	—	—	10.0
Comprehensive Planning Assistance	62.5	57.0	57.0
FHA Fund	660.8	555.2	451.2
Troubled Projects	—	—	74.0
GNMA			
Targeted Tandem	n.a.	(500.0)	(500.0)
Sec. 8 Tandem	n.a.	1,500.0	1,500.0
Section 8 Carryover	—	—	-6,400.0
Other	1,635.0	123.6	1,630.2
Total	\$ 34,199.9	\$ 38,443.0	\$ 33,312.0

Budget Outlays (Dollars in Thousands)

MAJOR ELEMENTS OF BUDGET OUTLAYS			
Housing Payments	\$2,426,367	\$3,042,800	\$3,576,500
Community Development Grants	2,088,813	2,560,000	2,644,000
Urban Renewal Programs	850,271	600,000	350,000
Mortgage Insurance Programs	492,384	406,657	221,168
Special Assistance Functions	-804,872	-197,142	-50,943
Revolving Fund (Liquidating Programs)	36,367	42,273	71,785
New Communities	88,833	138,148	52,057
National Flood Insurance Program	96,635	144,274	149,734
Operating Subsidies	522,284	612,000	686,000
Research and Technology	62,593	59,800	57,000
Comprehensive Planning Grants	76,914	64,000	60,500
Rehabilitation Loans (Sec. 312)	41,032	42,931	84,600
Disaster Relief	294,016	375,000	283,600
Urban Development Action Grants	—	24,000	159,000
Housing for Elderly or Handicapped	3,907	335,000	713,000
Troubled Projects	—	—	52,000
Emergency Mortgage Purchase	-224,321	294,268	439,701
All Other Outlays	8,350	241,638	262,485
Net Budget Outlays	6,131,573	8,785,647	9,812,187

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